

立法會 *Legislative Council*

LC Paper No. CB(1)1227/16-17

Ref : CB1/PL/HG

Report of the Panel on Housing for submission to the Legislative Council

Purpose

This paper gives an account of the work of the Panel on Housing ("the Panel") during the 2016-2017 Legislative Council session. It will be tabled at the meeting of the Council on 12 July 2017 in accordance with Rule 77(14) of the Rules of Procedure of the Council.

The Panel

2. The Panel was formed by a resolution passed by the Council on 8 July 1998 and as amended on 20 December 2000, 9 October 2002, 11 July 2007 and 2 July 2008 for the purpose of monitoring and examining Government policies and issues of public concern relating to private and public housing matters. The terms of reference of the Panel are in **Appendix I**.

3. The Panel comprises 38 members, with Hon Alice MAK Mei-kuen and Hon Andrew WAN Siu-kin elected as Chairman and Deputy Chairman respectively. The membership list of the Panel is in **Appendix II**.

Major work

Long Term Housing Strategy

4. The Panel received a briefing by the Administration on the Long Term Housing Strategy ("LTHS") Annual Progress Report 2016 at the meeting on 9 January 2017.

Ten-year supply target

5. The Panel noted that the Government adopted a total housing supply target of 460 000 units for the ten-year period from 2017-2018 to 2026-2027. With a public-private split of 60:40, the public housing supply target would be 280 000 units, comprising 200 000 PRH units and 80 000 subsidized sale flats. Members were concerned whether the Administration could secure all the land required for producing the public housing units for the projected supply of 236 000 public housing units. The Administration advised that the projected supply figure was based on the assumption that all sites identified could be delivered on time for development. The Administration had yet to secure all these sites, as some of them were pending rezoning, and housing projects at some sites were subject to legal proceedings. The completion of public housing projects also depended on the time required to address local communities' concerns and to secure Legislative Council's funding approvals for government-funded ancillary facilities.

Public/private split for the new housing supply

6. Some members opined that as private flat prices were unaffordable to most households, to realize the vision of LTHS to help all households in Hong Kong gain access to adequate and affordable housing, the Administration should increase the supply of public housing under LTHS, and the proportion of public housing of the new housing production should go beyond 60%. There were also views that the Administration should include the policy objective of providing the first offer of PRH units to the general applicants (i.e. family and elderly one-person applicants) at around three years on average as one of the housing demand components in its projection of future PRH production target.

7. The Administration advised that to adopt a higher proportion of public housing would reduce the supply of private flats, which might in turn fuel the already high prices in the private residential market. The LTHS Steering Committee had considered that the projection on long term housing demand should be premised on variables taken from objective circumstances, such as the households projections published by the Census and Statistics Department, while taking into account various factors, such as the net increase in number of households, the number of inadequately housed households and the vacancy situation of private residential flats. On the question whether the number of PRH applications was a suitable factor for projection, one had to consider whether such number could accurately and realistically reflect the housing demand.

Further measure to address the overheated residential property market

8. At the meeting on 5 December 2016, the Panel discussed the new round of demand-side management measure to address the overheated residential property market ("the new measure"), namely to introduce a new flat rate of 15% for the ad valorem stamp duty ("AVD") chargeable on residential property transactions, in lieu of the existing AVD rates at Scale 1 (commonly known as "doubled ad valorem stamp duty" ("DSD")).

9. Panel members were in general concerned whether the new measure could help address the soaring flat prices/rentals. Some members opined that it was important for the Administration to curb external demands, and consider introducing vacant property tax for combating speculative activities. The Administration advised that the residential flat vacancy rate in Hong Kong as at end 2015 was at a low level of about 3.7%, and non-local buyers accounted for only 1.5% of the total residential property transactions in the third quarter of 2016. The rise in flat prices and rentals in the past few years lay with the demand-supply imbalance in housing. Other factors affecting flat prices included ultra-low interest rates, abundant liquidity, cheap credit under the loose global monetary environment, etc. The new measure was introduced with a view to help cool down the residential property market, and should have the effect of reducing speculative activities and hence residential property transactions. To address the demand-supply imbalance, increasing housing land supply was the fundamental solution.

10. Members drew the Administration's attention to the home ownership needs of sandwich class families, and urged the Administration to look into the prevailing problem of high selling prices of Home Ownership Scheme ("HOS") flats. Some members suggested that the Administration should give consideration to providing subsidized sale flats to sandwich class families at cost. The Administration explained that the price setting mechanism of HOS flats took into account applicants' ability to afford, which had long been adopted since there was HOS policy.

Housing-related initiatives in the 2017 Policy Address and Policy Agenda

11. The Panel received a briefing by the Secretary for Transport and Housing on the new and ongoing housing-related initiatives in the Policy Address at its meeting on 6 February 2017.

Housing difficulties of residents of sub-divided units

12. In view of the long waiting time for PRH, and the fact that large number of waiting list ("WL") applicants were living in sub-divided units ("SDUs"), members were concerned whether the Administration would take measures to address the soaring rents of SDUs and reinstate rent control. They also enquired whether the Administration would deal with cases where the tenancy agreement between landlords and SDU tenants did not have a fixed tenancy term and a notice period for termination of tenancy, and SDU tenants were overcharged by their landlords for use of water, electricity and gas.

13. The Administration explained that implementing rent control could not help increase housing supply, and would be counter-productive. As observed from overseas experience, rent control might prompt landlords to charge a higher initial rent; become more selective about their tenants; reduce incentive and willingness of landlords to lease out their premises, leading to a drop in the supply of rented accommodation. The Administration advised that during the LTHS public consultation, the LTHS Steering Committee had invited the public to give views on the introduction of a licensing or landlord registration system to regulate SDUs, and respondents, including organizations championing the interest of SDU tenants, had expressed reservations about the suggestion, as they were worried that the proposed regulatory regime might cause further increase in rentals of SDUs.

14. Some members opined that the Administration should better utilize the existing interim/transitional housing to rehouse needy households, and use idle government sites, such as vacant school premises and idle civil servants quarters, for providing transitional accommodations. There was also view that the Administration should explore the feasibility of the Government proposing the donation of land by developers for building additional interim/transitional housing. The Administration advised that if a vacant site was available for providing transitional housing, it would still require additional infrastructural works which might not be completed in the short term.

Redevelopment of aged public rental housing estates

15. Some members enquired whether the Administration would formulate in a timely manner a territory-wide plan for redeveloping PRH estates in view of the high redevelopment potentials of some aged PRH estates and the long lead time required to redevelop them. The Administration advised that as existing tenants from aged estates would have to move to other PRH units upon redevelopment, implementation of massive redevelopment of PRH estates would freeze up new PRH units that might otherwise be allocated to PRH applicants. The Hong Kong Housing Authority ("HA") all along considered the

redevelopment of individual PRH estates with reference to four basic principles, viz. structural conditions of buildings, cost effectiveness of repair works, availability of suitable rehousing resources in the vicinity, and build-back potential upon redevelopment.

Public Housing Construction Programme

16. As the production of PRH involves a number of factors such as planning, construction and resource allocation, HA has put in place a Public Housing Construction Programme ("PHCP") which rolls forward on a yearly basis. The Panel monitors the progress of PHCP each year, and discussed the programme for 2016-2017 to 2020-2021 in November 2016.

Average waiting time for public rental housing

17. According to HA's rolling PHCP, there would be about 70 700 new PRH flats produced for the five-year period from 2016-2017 to 2020-2021. Given that the Administration pledged to maintain the average waiting time ("AWT") for general PRH applicants on the waiting list at around three years, but as at end-September 2016, the AWT for general applicants was 4.5 years, members were concerned that the AWT would be lengthened further. In view that increasing the land supply for public housing was the key to solving the housing problem, and the Administration had virtually used up all spade-ready sites at hand for producing public housing, some members enquired whether it was practicable for the Administration to obtain spade-ready sites currently held by the Urban Renewal Authority ("URA") for public housing projects. In response to a suggestion that URA should be invited to provide in collaboration with HA subsidized sale flats at its spade-ready sites in urban districts, the Administration explained that in line with the policy that the urban renewal programme should be self-financing in the long run, URA expected that its projects should be financially viable as a whole and it had to be very prudent in considering any suggestion to provide public housing at its sites. The URA's provision of subsidized sale flats at Kai Tak Development in 2015 was a one-off measure.

Challenges and difficulties in taking forward public housing development projects

18. At a meeting in November 2016, the Administration briefed members on the challenges and difficulties in taking forward public housing development projects.

19. According to the Administration, one of the challenges affecting the project delivery schedule was the extra time required to address the issues raised by local communities during consultations on the proposed development. Some members commented that the failure of the Administration to plan in advance for the provision of ancillary facilities in public housing projects had rendered local communities very resistant to the project implementation, and they urged the Administration to roll out comprehensive plans including the provision of ancillary facilities to the local community at the consultation stage. The Administration advised that ancillary facilities were provided in accordance with the requirements set out in the Hong Kong Planning Standards and Guidelines and the Administration aimed to make these facilities available as soon as tenants moved into the estates. It might take a longer lead time to deliver a public housing project if such projects had to include community facilities demanded by the local community.

Public housing development plan at Wang Chau, Yuen Long

20. In view of the public concern over the public housing development plan at Wang Chau, Yuen Long, the Panel on Housing and the Panel on Development held three joint meetings in November and December 2016 to discuss the project with the Administration and receive views from deputations on the subject at the joint meeting on 29 November 2016.

21. Members were in general concerned about the Administration's considerations for the decision to proceed first with Phase 1 of the development plan at the southern part of the Wang Chau site for the provision of about 4 000 public housing units, and defer the Phases 2 and 3 development for providing the remaining 13 000 units to later periods. Some members opined that the Administration should construct the 17 000 public housing units as early as possible to meet the society's imminent public housing demand. Some members were concerned that the Wang Chau development might involve collusion between the Government and private sectors and questioned whether the decision to defer the Phases 2 and 3 development was made because of the pressure exerted by a handful of people including rural representatives, district council members and brownfield operators who had vested interests in the land sites concerned. Referring to a case involving the consultancy firm Ove Arup & Partners Hong Kong Ltd.'s non-compliance of the "confidentiality" and "conflict of interest" provisions in the consultancy agreement for a study on the Engineering Works at Lin Cheung Road Site, Sham Shui Po and Wang Chau, Yuen Long – Investigation, Design and Construction commissioned by the Civil Engineering and Development Department, some members pointed out that the consultant firm was hired by both the Administration and the New World Development Company Limited ("NWDCL") to provide consulting services for the respective development projects in Wang Chau, and were concerned whether

the firm had disclosed to NWDCL restricted information about the land sites in Wang Chau that would be resumed by the Administration in order to facilitate the developer to pursue land hoarding activities in the area.

22. The Administration advised that when responding to media, the Administration had made clear that there was no question of the Government's colluding with any interests. Government departments including HD had raised objection to a planning application submitted to the Town Planning Board with respect to the private development of NWDCL at a site adjacent to the Phase 1 site. The decision to adopt the phased development approach was based on the consideration that as compared to proceeding with Phase 1 first, developing the three phases concurrently would involve more complicated problems in respect of infrastructures, environmental mitigation measures, and the handling of brownfield operations, and require a longer time to formulate and implement relevant measures.

Impact of the development project on residents and brownfield operations

23. Some members pointed out that the the plan to clear a "Green Belt" site for implementing the Wang Chau development would force the villagers living in the area to move out. They urged the Administration to shelve or postpone the development project, visit the affected villagers and listen to their concerns. Some members opined that the existing brownfield operations at Wang Chau were providing supporting services to the logistics industry and other industrial activities, and the Administration should take into account the impact of its future measures to relocate and re-provision the brownfield operations on the cost and financial sustainability of these operations.

24. The Administration explained that the public had opportunities to give views on the Wang Chau project during the planning application procedures in 2014 to rezone the site from "Green Belt" to "Residential". Relevant government departments would follow the established policies to proceed with land clearance, and to deal with the impact of the clearance on residents. Release of brownfield sites for optimal use under the new development area approach was part of the Administration's multi-pronged land supply strategy alongside other land supply initiatives and sources. The Administration was in parallel considering how the brownfield operations could be accommodated in a land efficient manner, including feasibility to relocate some operations to multi-storey buildings.

Hong Kong Housing Authority's measures to maximize the rational use of public rental housing resources

25. On 9 January 2017, the Administration briefed members on the latest measures of HA to focus efforts in allocating limited PRH resources to those with more pressing needs. The measures endorsed by the Subsidised Housing Committee ("SHC") of HA to implement starting from 2017-2018 included stepping up enforcement actions against PRH tenancy abuse, reducing the two rounds of flat selection each year under the Express Flat Allocation Scheme to one round, so that relevant flats could be released earlier for the Housing Department ("HD") to allocate them under the normal procedures, refining the Well-off Tenants Policies, etc.

Well-off Tenants Policies

26. The Panel noted that at its meeting of 31 October 2016, HA's SHC had examined the Well-off Tenant Policies ("the Policies") and agreed, among others, that if PRH tenants' income or assets exceeded a higher threshold than the existing one, they had to vacate their PRH flats.

27. Panel members were in general concerned how the PRH tenants would be affected by the revisions to the Policies. A special meeting was held by the Panel on 24 January 2017 to receive views from deputations on the subject. Some members opined that under the revised Policies, the PRH tenants who would be required to move out under the revised Policies might include elderly persons with net assets exceeding the limit but might not have regular income to pay mortgage payments, and younger tenants who had a job with income exceeding the prescribed limit but did not have adequate savings to pay down payments. These tenants could not afford to purchase a flat, and might be forced to rent an accommodation, hence pushing up the overall flat rentals.

28. The Administration advised that to provide more housing choices for households with Green Form status, HA had introduced the "Green Form Subsidised Home Ownership Pilot Scheme". Those living in PRH with aspiration for home ownership could also purchase second-hand subsidized sale flats with premium not yet paid in the HOS Secondary Market, and sitting tenants in the 39 Tenant Purchase Scheme ("TPS") estates could opt to buy the rental flats in which they were living.

29. Some members and deputations opined that as certain PRH tenants would be required to move out from their parents' PRH units under the revised Policies, the number of under-occupied households with elderly members would increase in future. They commented that the revised Policies would go against

the policy to foster inter-generational harmony and encourage younger members of a family to live with their parents. Some members opined that HA should consider deferring the implementation of the revised Policies in view of its limited effectiveness in increasing the PRH turnover. At the special meeting on 24 January 2017, the Panel passed a motion requesting HA to conduct a territory-wide consultation exercise before implementing the revised Policies. In light of the Panel's comments on the Policies, HD further examined the implementation details of the Policies, and submitted specific proposals¹ on the implementation details² to SHC which were endorsed at its meeting of 14 February 2017. The revised Policies would be implemented starting from the declaration cycle in October 2017.

Review of income and asset limits for public rental housing

30. Under the existing policy, eligibility of PRH applicants is determined by way of income and asset limits which are reviewed annually. The Panel examined the results of the Administration's annual review of the income and asset limits for PRH for 2017-2018 at its meeting on 6 March 2017.

31. In view that with the proposed increase in income and asset limits, more people would become eligible for PRH, some members were concerned about the impact of the proposal on the waiting time of the PRH applicants. The Administration explained that the proposed adjustments of income and asset limits would not affect the waiting time of those general applicants who were already waiting for PRH allocation, given that new applications received after the implementation of the new PRH income and asset limits would be placed at the end of the queue.

32. Members were concerned that a two-person household with two working members each working with a pay at the statutory minimum wage ("SMW") rate of \$34.5 per hour for 10 hours a day for 26 days a month would earn a monthly income of \$17,940, which would exceed the proposed income limit, i.e. \$17,350, and was hence ineligible for PRH. There were views that the Administration should consider incorporating the level of SMW into the mechanism for review of PRH income and asset limits so as to ensure that grassroots people were eligible for PRH application. The Administration advised that SMW only stipulated the minimum hourly wage. The actual monthly income earned by individual households varied, depending on various factors such as the number of working days and working hours of each member; and hence could not be generalized.

¹ In Annex 2 to the Administration's paper LC Paper No. CB(1)757/16-17(01) dated 29 March 2017.

² In Appendix 1, *ibid.*

Marking Scheme for Estate Management Enforcement in Public Housing Estates

33. The Panel monitors HA's implementation of the Marking Scheme for Estate Management Enforcement in Public Housing Estates ("the Marking Scheme") each year. At the meeting on 9 May 2017, the Panel received an update on the latest position of the implementation of the Marking Scheme.

Liability of entire household

34. Members were of the views that an individual who committed the misdeeds under the Marking Scheme should be held liable and be punished accordingly but this should not affect the rights of other family members to continue to live in the PRH unit. Some members highlighted the fact that the registered tenant could do nothing to remove the misbehaving family member from the list of tenants of that household even if that was what he wished. The Administration explained that allocation of PRH units was on a household and not individual basis. As the tenancy agreement had binding effect on the entire household, the Administration considered it reasonable to apply the Marking Scheme on a household basis.

Keeping guide dogs at public rental housing units

35. Some members pointed that the Administration/HA's policies should allow guide dog puppies undergoing training to be kept at public housing units by tenants, including visually impaired tenants, tenants who were guide dog trainers, etc. The Administration advised that HD would exercise discretion in allowing guide dog puppies under training to be kept at PRH units occupied by visually impaired tenants. In considering whether it was appropriate to grant such exemption to guide dog trainers residing in PRH estates based on their occupation, the Administration needed to strike a balance between tenants with diverse needs.

Measures to facilitate the mobility needs of elderly residents by the Hong Kong Housing Authority

36. At the meeting on 6 March 2017, members discussed with the Administration the measures taken by HA to facilitate the mobility needs of elderly residents.

Facilities in public housing estates

37. Panel members opined that HA should ensure adequate provision of barrier-free access facilities when designing a new PRH estate, as adding such facilities after the population intake would cause inconvenience to residents. Some members were concerned about the progress of Lift Addition Programme ("LAP") and urged the Administration to streamline relevant procedures to expedite the programme. In response to a question on how HA would address the mobility needs of the elderly tenants living at the topmost floor of some older PRH blocks where lift services were not available, the Administration advised that tenants of PRH estates living on floors where there was no lift service might apply for transfer to other units served by lift.

In-flat modifications

38. The Panel noted that for eligible elderly tenants living in old PRH blocks, HA might modify the facilities inside their units to cater for their mobility needs. In view that it might take time for HD to modify a PRH unit, members suggested that HD should make available certain vacant units suitable for elderly tenants with special needs so that they could be immediately allocated to needy households upon applications. The Administration advised that the suggestion might not be practicable as different applicants might have different needs. It was more appropriate for HD to seek the advice from the physiotherapist concerned about the applicant's need, and modify the flat in light of the advice.

Excessive lead in drinking water in public rental housing estates incident

39. Since July 2015, the Panel has been following up with the Administration issues relating to the "excess lead in drinking water" incident. At the meeting on 5 December 2016, the Administration briefed the Panel on the latest developments of various issues arising from the incident.

40. Noting that contractors would replace the non-compliant pipes inside domestic units of the 11 PRH developments in which excess lead in drinking water was found, members enquired how the Administration would deal with tenants' request for opting out of the works inside their flats. The Administration replied that in considering the matter, HA needed to take into account its and tenants' legal obligations under the Waterworks Ordinance/Waterworks Regulation. It was stipulated in the tenancy agreement that PRH tenants should allow HA to carry out works deemed necessary in their flats. On the question of whether it was the contractors to handle compensation claims by tenants for damages to the furnishings of their premises as a consequence of the works inside flats, the Administration advised that HA had asked the contractors to make good any damages to the furnishings as a

consequence of the rectification works and to handle any compensation claims by tenants.

Construction materials used for public rental housing

41. At the meeting on 6 March 2017, the Administration briefed members on the risk assessment of building materials used in the construction of new public housing developments undertaken by HA.

Quality assurance of construction materials

42. The Panel noted that HA had put in place an established practice to assess the risk factor of building materials when formulating the specifications and contract conditions, and since the excess lead in drinking water incident, HA had further implemented 35 new initiatives to enhance quality for building works, including risk management of building materials. Some members enquired about quality control and supervision of the production of pre-cast concrete components ("PCCs") for use in HA's public housing development projects.

43. The Administration advised that HA had commissioned independent service providers in Hong Kong for management of factory supervision of PCCs, which were usually manufactured in Mainland. According to the service agreement, the service providers were required to deploy full-time resident supervisors in factories to inspect the production, and engineers to carry out relevant audits to the factories at monthly intervals. The project's main contractor would pay visits once a month to each factory to review PCC quality issues. HA's central team, which was an in-house independent team, would also conduct quarterly factory visits to monitor the performance of the service providers.

Disposal of in-flat items by public rental housing tenants

44. Some members pointed out that there were cases where tenants of newly-completed PRH estates had disposed of in-flat items such as sink units after moving in, hence resulting in wastage, and were concerned whether the cases reflected HA's quality assurance problems. The Administration advised that HA's projects had been implemented with stringent quality assurance, and the cases might not necessarily be related to construction quality of PRH units. As not all families newly moved-in could afford the cost of fitting-out and equipping their flats, HA considered it appropriate to provide some basic fixtures and fittings, such as sink units. When considering the in-flat items to be provided in new PRH units, HA all along attached importance to minimizing the chance of disposal and wastage.

Development of bazaars in public housing estates

45. The Panel was all along concerned about HA's progress of developing bazaars in PRH estates. At its respective meetings in May and June 2017, the Panel discussed with the Administration and received public views on the subject.

46. Some members commended HD for supporting a charitable organization's proposal for setting up a holiday bazaar at the amphitheatre of Tin Yiu Estate in Tin Shui Wai, and asked about the Administration's way forward with respect to the development of bazaars in public housing estates. They considered that HD should put in place common criteria applicable to all proponents for setting up bazaars in estates.

47. The Administration advised that the Government had been maintaining a positive attitude towards specific bazaar proposals put forward by individuals/organizations in the local community, and HA supported the Government's policy. Upon receiving bazaar proposals, HD would, based on the needs and circumstances of the estates concerned, study the feasibility of the proposals and their impact on the estates concerned. The proposals should also be supported by the local communities and respective district councils.

Letting of markets under the Hong Kong Housing Authority

48. In June 2017, the Panel discussed with the Administration on issues relating to the letting of markets under HA, and received public views on the subject. According to the Administration, HA was providing about 230 000 square metres of retail facilities, including 22 markets. Since 1988, HA has adopted the single-operator letting arrangement for some of its markets. Under this arrangement, a single tenancy was awarded to an operator who would let parts of the leased area to individual stall operators, and would be responsible for the management of the whole market. From 1997, all new markets under HA had adopted the single-operator letting arrangement. As at May 2017, of the 22 HA's markets, six were single-operator markets ("SOMs").

49. Members were in general concerned about the tendering criteria for SOMs, and the mechanism adopted by HD in monitoring the performance of single operators. They opined that SOMs had not been operating effectively and HD should conduct a comprehensive review of its policy on outsourced markets with a view to ensuring that the management and the leasing policy for HA's markets would tie in with the needs of residents. Some members considered that the single-operator letting arrangement resulted in incessant rise

in stall rentals, and the increase in costs would ultimately shift to residents of public housing estates. There were suggestions that the letting arrangement should be abolished, and HA should manage its markets directly.

50. The Administration advised that the purpose of implementing SOMs was to leverage on the expertise and flexible management and operation mode of the private sector, with a view to providing better shopping choices and service environment for residents. HA would normally invite those in the Client List for SOM to bid for the market in a new public housing estate six months before completion. HD would allot separate scores on the basis of bidders' past performance in market management and the rentals proposed for the leasing proposals. These two aspects carried equal weight so that selection was not merely based on the highest rentals proposed. By means of the standard terms in the tenancy agreements with single operators, HD would restrict single operators from charging stall operators fees other than rent, air-conditioning charges, rates and management fees. HD's frontline staff would carry out regular inspections of markets to ensure that single operators comply with the requirements as stipulated in the tenancy agreements and maintain quality management services.

Work of the Sales of First-hand Residential Properties Authority

51. The Residential Properties (First-hand Sales) Ordinance ("the Ordinance") came into full implementation on 29 April 2013 and the Sales of First-hand Residential Properties Authority ("SRPA") was established to implement the Ordinance. The Panel was briefed on the latest work of SRPA on 11 April 2017.

Review of the requirements under the Ordinance

52. Noting that since the full implementation of the Ordinance, the Administration had taken prosecution actions against the vendors of three developments only, some members were concerned whether the requirements under the Ordinance were not stringent enough to eliminate irregularities. SRPA advised that of the vendors prosecuted so far, all had been convicted and hence the rate of conviction was high. The fact that there were few cases of prosecution might reflect that vendors had made good efforts to comply with the Ordinance.

53. Some members opined that the requirements under the Ordinance were stringent, given that there were about 120 criminal offences under the Ordinance. In view that vendors had to allocate considerable resources in providing information on their developments such as publication of sales brochures, members enquired whether SRPA would review the Ordinance, and the relevant

timetable. SRPA advised that the requirements under the Ordinance had balanced the interests of different stakeholders including purchasers and vendors. As the Ordinance had only been in full operation for about four years, SRPA was still accumulating implementation experience.

Information provided in sales brochures of first-hand residential developments

54. Members were concerned about how SRPA would deal with cases in which the first-hand residential property purchased by a household did not correspond to the sales descriptions provided by the vendor, such as in the advertisements. Some members suggested that SRPA should review whether vendors should provide more information in the sales brochures so that before making a purchase decision, prospective purchasers would know whether the first-hand residential development concerned or its adjacent buildings would be erected with telecommunication installations, whether the public car park adjacent to the development was under a short-term tenancy, whether animals/pets were allowed to be kept in the residential properties, etc. SRPA advised that as a general principle, vendors should include in sales brochures for first-hand residential developments information about the developments to enable consumers to make informed purchase decisions. Vendors might commit an offence if their advertisements contained false or misleading information. The Ordinance had stipulated the information that should be contained in sales brochures, and SRPA might from time to time issue guidelines covering matters on sales brochures for the industry to follow.

Other issues

55. The Panel has scheduled a meeting for 3 July 2017 to discuss rent adjustment mechanism for rental units and rent relief measures of the Hong Kong Housing Society and measures to alleviate the housing difficulties of residents of SDUs, and another meeting for 11 July 2017 to receive updates on the performance of HA in respect of its environmental targets and initiatives and the progress of the HA's Total Maintenance Scheme.

56. During the session, the Panel was consulted on the following Public Works Programme items –

- (a) site formation and infrastructure works for public housing developments at Chung Nga Road and Area 9, Tai Po - Phase 1;
- (b) infrastructure works for public housing development at Area 54, Tung Chung;

- (c) ancillary facilities block at Tseung Kwan O Area 65C2 to address the needs for community and welfare facilities arising from the public housing development at Area 65C2;
- (d) road improvement works at Ma On Shan, Sha Tin to support the public housing developments at Ma On Shan Road and Hang Tai Road in Sha Tin;
- (e) district open space adjoining public housing development at Anderson Road;
- (f) re-provisioning of recreational facilities and site formation works for public housing development at Hiu Ming Street, Kwun Tong; and
- (g) construction of a community hall cum social welfare facilities at Queen's Hill, Fanling to tie in with the public housing development programme at Queen's Hill.

Meetings

57. From October 2016 to June 2017, the Panel held a total of 13 meetings including three joint meetings with the Panel on Development.

Council Business Division 1
Legislative Council Secretariat
4 July 2017

Legislative Council

Panel on Housing

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to private and public housing.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy areas prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

Panel on Housing

Membership list for 2016-2017 session *

Chairman Hon Alice MAK Mei-kuen, BBS, JP

Deputy Chairman Hon Andrew WAN Siu-kin

Members

Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon WU Chi-wai, MH
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon POON Siu-ping, BBS, MH
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon SHIU Ka-fai
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan
Hon CHEUNG Kwok-kwan, JP
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP

Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Nathan LAW Kwun-chung
Dr Hon YIU Chung-yim
Dr Hon LAU Siu-lai

(Total : 38 members)

Clerk Mr Derek LO

Legal Adviser Mr YICK Wing-kin

* Changes in membership are shown in Annex.

Panel on Housing

Changes in membership

Member	Relevant date
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP	Up to 24 October 2016
Hon Martin LIAO Cheung-kong, SBS, JP	Up to 8 November 2016
Hon Mrs Regina IP LAU Suk-yea, GBS, JP	Up to 9 November 2016
Hon CHAN Chun-ying	Up to 9 November 2016
Hon IP Kin-yuen	Up to 10 November 2016
Hon Claudia MO	Up to 11 November 2016
Hon LAM Cheuk-ting	Up to 16 November 2016
Hon Charles Peter MOK, JP	Up to 23 November 2016
Dr Hon CHIANG Lai-wan, JP	Up to 24 November 2016
Hon MA Fung-kwok, SBS, JP	Up to 28 November 2016
Hon Jeffrey LAM Kin-fung, GBS, JP	Up to 29 November 2016
Hon WONG Ting-kwong, GBS, JP	Up to 29 November 2016
Hon Alvin YEUNG	Up to 29 November 2016
Hon Holden CHOW Ho-ding	Up to 29 November 2016
Hon Steven HO Chun-yin, BBS	Up to 30 November 2016
Dr Hon Elizabeth QUAT, BBS, JP	Up to 30 November 2016
Hon Kenneth LEUNG	Up to 6 December 2016
Hon Michael TIEN Puk-sun, BBS, JP	Up to 19 December 2016
Hon Dennis KWOK Wing-hang	Up to 4 January 2017
Hon CHAN Kin-por, GBS, JP	Up to 16 January 2017
Hon James TO Kun-sun	Up to 5 February 2017
Hon HUI Chi-fung	Up to 7 February 2017
Dr Hon Helena WONG Pik-wan	Up to 19 February 2017
Hon YIU Si-wing, BBS	Up to 13 March 2017
Hon WONG Kwok-kin, SBS, JP	Up to 13 March 2017
Hon Tanya CHAN	Up to 4 April 2017