

Bureau Serial No.

HB 001

Question Serial No.

0141

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead(No. & title) : 001 – Salaries

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Please state the two urgent tasks that need to be done by creating two posts.

Asked by : Hon CHAN Yuen-han

Reply : Two posts will be created for up to one year in 2000-01 to undertake the following two time-limited projects –

- one Supplies Supervisor II to review the existing system for the procurement and control of stores and equipment in the Housing Bureau, and to recommend improvement to the system, including computerisation, for better control and management of these items; and
- one Data Processor to provide technical support for setting up a computerised data base on local and overseas information on housing for research and planning purposes to assist in the regular reviews of housing policy.

Signature _____

Name in block letters

Dominic S. W. WONG

Post Title

Secretary for Housing

Date

13 March 2000

Bureau Serial No.

HB003

Question Serial No.

0143

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB

Subhead (No. & title) :

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Please state the estimated expenditure in co-ordinating ‘the formulation of the details of a scheme under which a proportion of the subsidised home ownership flat production will be replaced by the provision of additional loans’. What are the details of the scheme?

Asked by : The Hon CHAN Yuen-han

Reply :

In order to provide a wider choice to prospective home buyers and to promote home ownership more cost-effectively, the Government has decided to embark on a partial shift in the provision of public housing assistance from the conventional ‘bricks and mortar’ approach to the use of housing loans.

Agreement has been reached with the Housing Authority (HA) to reduce subsidised home ownership flat production by 4,000, 5,000, 6,000 and 6,000 units in each of the four years starting from 2003-04 to 2006-07. The mix between housing loans and subsidised home ownership flat production will be reviewed annually, and rolled forward.

The HA will provide sufficient loans to replace the reduction of subsidised home ownership flat production so that the Government’s pledge of providing housing assistance to 50,000 families a year will be fulfilled. The Government remains fully committed to reducing the average waiting time for public rental housing and promoting wider home

ownership.

The Government will offer additional land for sale to the private sector, starting from 2000-01, so that the extra demand for private housing can be met. The first batch of sites has already been included in the Land Sale Programme for 2000-01.

The administrative details of providing additional loans will be worked out between the Housing Authority and the Housing Bureau.

The cost of co-ordinating the formulation of the details of the scheme will be absorbed by existing resources in the Housing Bureau, the Housing Department, the Planning Department and the Lands Department.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	15 March 2000

Bureau Serial No.

HB021

Question Serial No.

0167

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

(a) The estimate for 2000-01 is \$8.8M (or 1.8%) less than for last year as a result of deletion of posts and reduction in operating expenses. What posts have been deleted and how many staff have been cut by the Housing Department? What arrangements have been made for these staff?

(b) Please set out the operating expenses to be incurred by offices at the remaining squatter areas (including the salaries of the various posts, administration costs, etc.). What would be the financial implications on these offices because of the \$8.8M reduction in the estimate?

(c) What is the total expenditure on the pre-clearance survey in respect of squatter clearances for the last year? (Please indicate by individual squatter area surveyed.) What is the total estimate of expenditure for this year?

(d) What is the provision allocated by the Housing Department for the clearance of the last major squatter area in the urban area (i.e. Tai Hom Village in Diamond Hill) scheduled for this year? What is the amount set aside by the Housing Department for the payment of ex-gratia allowance to the business operators affected?

Asked by :

Hon. CHAN Yuen-han

Reply :

(a) A total of 44 posts will be deleted in 2000-01, namely 1 Housing Manager, 3 Assistant Housing Managers, 9 Housing Officers, 2 Assistant Clerical Officers, 10 Clerical Assistants, 9 Office Assistants, 6 Artisans and 4 Workmen I. These posts will be deleted through natural wastage and staff

redeployment.

(b) There are at present 12 Squatter Control Offices and 8 Clearance Offices responsible for squatter control and clearance activities in the territory. The average estimated annual operating expenses for each of these offices are tabulated below -

	Squatter Control <u>Office</u>	Clearance <u>Office</u>
Personal Emolument : \$26.50M (including on-costs and Head Office administration costs)		\$12.69M
Other Expenditure : \$1.99M (e.g. maintenance, cleansing, electricity, stores and equipment, telecom and etc.)		\$1.19M
Total :	\$28.49M	\$13.88M

The reduction of operating expenses by \$8.8M in 2000-01 is the result of deletion of posts detailed at (a) above and other expenditure savings under the Enhanced Productivity Programme through reduction in acting allowance and mileage claims, stricter control and economy on the use of stores and equipment etc. in the Clearance Sub-section, Temporary Housing Clearance Sub-section and Squatter Control Sub-section. The level of services provided by the squatter control offices and clearance offices will not be affected by the reduction in operating expenses.

(c) Squatter clearances are undertaken by the Clearance Sub-section which is also responsible for rehousing victims of natural disasters and people affected by government operations such as land resumption and clearances for public development and demolition of unauthorised rooftop structures. All expenditure involved in pre-clearance surveys for squatter clearances has been absorbed in the operating expenses of the Clearance Sub-section. For 1999-2000, the estimated operating expenses for Clearance Sub-section is \$147.57M. It is estimated that the operating expenses for 2000-01 for the Clearance Sub-section will be \$129.67M.

(d) All expenditure for squatter clearance operations (including clearance of Diamond Hill squatter areas) are absorbed in the operating expenses of Clearance Sub-section. As for the payment of ex-gratia allowance to the business operators affected by the clearance of squatter areas at Diamond Hill, an amount of \$25M has been reserved under Head 701 (Lands Department) for the purpose.

Signature _____

Name in block letters J.A. Miller

Post Title Director of Housing

Date _____

Bureau Serial No.

HB 004

Question Serial No.

0229

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead(No. & title) : 001 – Salaries

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : With regard to the proposed creation of two posts in 2000-01 to undertake two time-limited projects, please advise –

- (a) the post titles, duties and salaries of these posts;
- (b) whether these staff will be employed on contract terms; and
- (c) details of the two projects.

Asked by : Hon NG Leung-sing

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Reply :

Details of the two posts are –

	<u>Annual mid-point salary</u>	<u>Main duties</u>
1 Supplies Supervisor II	\$181,920	To review the existing system for the procurement and control of stores and equipment in the Housing Bureau, and to recommend improvement to the system, including computerisation, for better control and management of these items.
1 Data Processor	\$151,140	To provide technical support for setting up a computerised data base on local and overseas information on housing for research and planning purposes to assist in the regular reviews of housing policies and objectives.

The two staff will not be employed on contract terms as the two posts will be filled by redeployment of surplus staff, caused by the Enhanced Productivity Programme, from other departments.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	14 March 2000

Bureau Serial No.

HB005

Question Serial No.

0230

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead (No. & title) : 700 – General other
non-recurrent

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : When will the consultancy study on sales of overseas uncompleted residential properties under Subhead 700 Item 004 start and when will it be completed?

Asked by : Hon NG Leung-sing

Reply :

Since the approval of funding for the proposed consultancy study in September 1999, the Housing Bureau has discussed the matter with the Estate Agents Authority (EAA). As many local estate agents are involved in the sale of overseas uncompleted residential properties, the EAA plans to conduct a similar study. We agree that the EAA is a suitable body to undertake the study because it consists of large and small estate agents, developers, lawyers and a representative from the Consumer Council. There is no longer the need for the Government to utilise the approved fund.

Signature

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 14 March 2000

Bureau Serial No.

HB006

Question Serial No.

0231

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : In order to fast-track infrastructural projects, is it necessary for the Housing Bureau to increase its manpower and financial expenditure in 2000-01? If yes, please provide the details. Has the present progress of the infrastructural projects concerned caused delays to housing production?

Asked by : Hon NG Leung-sing

Reply :

The Housing Bureau will use existing manpower to fast-track housing-related infrastructure projects in 2000-01. We will spend \$2,603 million on the capital cost of 42 such projects in 2000-01 under Head 711-Housing relating to land formation, highways, water supply and schools.

The present progress of infrastructural projects is satisfactory, and has not caused delay to housing production.

Signature

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 15 March 2000

Bureau Serial No.

HB007

Question Serial No.

0232

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB

Subhead (No. & title) :

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : In 2000-01, the Housing Bureau shall co-ordinate the formulation of the details of a scheme under which additional housing loans will be provided. Please state the steps for implementation of the scheme decided at this stage and the assessment on the possible impact of the scheme on government expenditure.

Asked by : The Hon NG Leung-sing

Reply :

In order to provide a wider choice to prospective home buyers and to promote home ownership more cost-effectively, the Government has decided to embark on a partial shift in the provision of public housing assistance from the conventional 'bricks and mortar' approach to the use of housing loans.

Agreement has been reached with the Housing Authority (HA) to reduce subsidised home ownership flat production by 4,000, 5,000, 6,000 and 6,000 units in each of the four years starting from 2003-04 to 2006-07. The mix between housing loans and subsidised home ownership flat production will be reviewed annually, and rolled forward.

The HA will provide sufficient loans to replace the reduction of subsidised home ownership flat production so that the Government's pledge of providing housing assistance to 50,000 families a year will be fulfilled. The Government remains fully committed to reducing the

average waiting time for public rental housing and promoting wider home ownership.

The Government will offer additional land for sale to the private sector, starting from 2000-01, so that the extra demand for private housing can be met. The first batch of sites has already been included in the Land Sale Programme for 2000-01.

The administrative details of providing additional loans will be worked out between the Housing Authority and the Housing Bureau.

The impact of the new scheme on Government expenditure will be neutral. The cost of co-ordinating the scheme will be absorbed by existing resources in the Housing Bureau, the Housing Department, the Planning Department and the Lands Department.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	15 March 2000

Bureau Serial No.

HB 008

Question Serial No.

0486

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : What measures has the Bureau taken to ensure the quality of public housing? Were they effective in quantifiable terms? What other initiatives will be carried out in 2000-2001 and their funding requirements?

Asked by : Hon Edward HO Sing-tin

Reply:

The Government fully shares the community's concern over the quality of public housing. The Housing Authority has completed a comprehensive review of the situation and, having held wide discussions with various stakeholders in the past few months, has drawn up measures to improve public housing quality. A public consultation document entitled "Quality Housing: Partnering for Change", which proposes 40 major recommendations to enhance building quality, was published and the consultation period will end on 31 March 2000. Following this, the Housing Authority will work out a plan for implementing the recommendations, and will assess the financial implications.

2. Interim feedback from the consultation indicates strong support for some of the recommendations which the Housing Authority is likely to implement in 2000-01. These are :

- (a) to lengthen the Defect Liability Period from one year to two years in all new building tenders;
- (b) to extend the construction period for piling and building contracts by one month and two months respectively;
- (c) to deploy resident engineers to all piling sites to strengthen supervision;
- (d) to require the use of sonic tubes in large diameter bored piles to facilitate 100% core testing when necessary; and
- (e) to improve the weighted scoring system for assessing consultancy projects by adjusting the weighting between technical score and fee score for Quantity Surveying Consultancy from 50:50 to 70:30.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	20 March 2000

Bureau Serial No.

HB037

Question Serial No.

0647

Examination of draft Estimates of Expenditure 2000-01
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head : 711 – Housing Subhead (No. & title) :

Programme : Housing

Controlling Officer : Director of Civil Engineering

Bureau Secretary : Secretary for Housing

Question : It is stated under Programme (3), Head 43 that CED will commence the design and site investigation work for housing development at Cha Kwo Ling. Under which item of expenditure in the Draft Estimates has such works been reflected? What is the progress?

Asked by : Hon Fred LI Wah-ming, JP

Reply : It is the current intention that the detailed design of housing development at Cha Kwo Ling will be carried out in-house, and within existing resources. Work will commence in the middle of the year subject to satisfactory completion of an overall feasibility study of the project now underway. Site investigation will be carried out concurrently with detailed design and will be funded under block allocation B100HX of Head 711.

Signature

Name in block letters

Post Title

Date

Y. C. LO

Director of Civil Engineering

17 March 2000

Bureau Serial No.

HB 009

Question Serial No.

0718

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : The Housing Bureau is determined to shorten the waiting time for public rental housing to 3 years by 2005. Will it state the number of additional rental flats needed for allocation to applicants on the waiting list annually during 2000-2006 in order to shorten the waiting time for public rental housing as planned, together with the proportion of these flats to the overall resource allocation of public rental housing.

Asked by : Hon LEE Wing-tat

Reply

The Government is committed to reducing the average waiting time for public rental housing from six years at present to three years by 2005. To achieve this target, we estimate that about 170,000 new or refurbished public rental housing units, i.e. 24,300 units on average every year, will be allocated to applicants on the Waiting List between 1999-2000 and 2005-06. This accounts for about 56% of the total number of public rental units available for allocation in the period.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>20 March 2000</u>

Bureau Serial No.

HB010

Question Serial No.

0719

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : The Housing Bureau has included a 13-year flat production programme in its 1999 Policy Objectives. Will it provide details of the flat production programme, the way it is reflected in the budget and its progress.

Asked by : Hon LEE Wing-tat

Reply :

The purpose of the 13-year flat production programme, maintained by the Housing Bureau, is to enable effective monitoring of the annual supply of flats to meet housing demand.

The programme is divided into three parts –

- (a) the first three years, where land allocation is completed and construction is underway;

- (b) the subsequent five years, where sites are being prepared for allocation or sale for housing development; and
- (c) the last five years, where new areas capable of housing development are being identified.

A directorate officer has been designated as Project Director for every housing project in the flat production programme. Project Directors are responsible through their Heads of Department to the Secretary for Housing, and ultimately to the Financial Secretary as the Chairman of the Steering Committee on Land Supply for Housing (HOUSCOM), for the timely completion of housing projects under their supervision. They must keep to agreed production timetables and endeavour to resolve problems and delays at the district level. They may escalate any insurmountable difficulties at the district level to their Heads of Department and, if necessary, to the Secretary for Housing or the Secretary for Planning and Lands, as relevant, for quick resolution. HOUSCOM is the final decision-making body for problems on housing production which cannot otherwise be resolved.

A summary of the first three years of the current flat production programme is at Annex. From 1999-2000 onwards, we expect to meet our target of producing an average of 50 000 public housing flats a year, as well as making sufficient land and infrastructure available to meet the demand for private housing.

The flat production programme is drawn up by the Housing Bureau with the assistance of 23 Project Directors in the Housing Department, the Lands Department, the Planning Department and the Territory Development Department. Expenditure on these posts is subsumed in the Draft Estimates under recurrent expenditure incurred by the Housing Bureau and the four departments concerned.

Signature

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 17 March 2000

Flat production 1997-98 to 2001-02

	1997-98	1998-99	Total 1997-98 to 1998-99	1999-2000	2000-01
	<i>Actual</i>			<i>Estimated</i>	
Total public housing	34,000	37,000	71,000	58,000	81,000
Private Housing	23,000	20,000	43,000	35,000	28,000
<i>Total</i>	57,000	57,000	114,000	93,000	109,000

Bureau Serial No.

HB 011

Question Serial No.

0720

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Participation in the Tenants Purchase Scheme is a crucial indicator to the Government in measuring home ownership rates. Response to Phase 2 of the scheme is not satisfactory, with acceptance rate down by 30% when compared to Phase 1. Will the Administration explain its assessment of the response to Phase 2 of the Tenants Purchase Scheme and whether there are plans to improve the acceptance rate of the Tenants Purchase Scheme.

Asked by : Hon LEE Wing-tat

Reply :

Response to Phase Two of the Tenants Purchase Scheme is satisfactory. As at 14 March 2000, 16,442 offers to purchase, representing 60.5% of the 27,161 flats for sale, have been received from tenants. This is comparable to the initial response rate in Phase One at a similar stage, which was at 63.6%. To encourage more tenants to participate in Phase Two, the Housing Department will issue monthly newsletters to remind them of the impending expiry of the First Year Tenants Credit on 31 March 2000^{Note}.

2. The Housing Department will continue to issue newsletters and arrange more home visits in future to encourage tenants to participate in the Tenants Purchase Scheme.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>20 March 2000</u>

^{Note} A special credit of 60% on the discounted market value is given if the tenant purchases the flat within the first year of initial offer for sale. In the second year, the special credit is reduced to 30%.

Bureau Serial No.

HB 012

Question Serial No.

0721

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead(No. & title) : 001 – Salaries

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Regarding the Housing Bureau's proposals to create two posts, what projects are these posts responsible for? How long will it take to complete the projects? What are the details of the projects? What is the impact of the projects on the Housing Bureau's Policy Objectives?

Asked by : Hon LEE Wing-tat

Reply : Two posts will be created in 2000-01 to complete the following two projects within 12 months –

- one Supplies Supervisor II to review the existing system for the procurement and control of stores and equipment in the Housing Bureau, and to recommend improvement to the system, including computerisation, for better control and management of these items; and

...../2

- one Data Processor to provide technical support for setting up a computerised data base on local and overseas information on housing for research and planning purposes to assist in the regular reviews of housing policies and objectives.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	15 March 2000

Bureau Serial No.

HB023

Question Serial No.

0751

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing
Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

(a) Of the "number of illegal structures demolished", how many are newly built illegal structures? What percentage of the total number does this represent?

(b) Up to the end of 1999, how many illegal structures have been detected by the authorities but are not yet demolished or waiting to be demolished? Can you set out the relevant work schedule?

Asked by :

Hon. David CHU Yu-lin

Reply :

(a) All illegal structures included in the "no. of illegal structures demolished" are new erections discovered in the corresponding year.

(b) Squatter Control staff are responsible for constant and frequent patrols to prevent illegal squatting on unleased and undeveloped government land and private agricultural land. Immediate action will be taken to demolish illegal structures when they are discovered by our staff.

Signature

Name in block
letters

J.A. Miller

Post Title

Director of Housing

Date

Bureau Serial No.

HB024

Question Serial No.

0752

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing
Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

Concerning "the number of people rehoused as a result of programmed squatter and unauthorised rooftop structure clearances or emergency clearance following natural disaster" (Indicator 1), it is noted that the actual number of people rehoused in 1999 was merely 4,500, just 30% of the planned number of 15,000. Ten thousand people are planned to be rehoused this year, which is 55% more than the actual number for last year. How is this target worked out?

Asked by :

Hon. FUNG Chi-kin

Reply :

The estimated number of people (10 000) to be rehoused in 2000/01 is higher than the actual number of people (4 500) rehoused in 1999/2000. This is because some clearance operations scheduled for 1999/2000 have been postponed to 2000/01. The target for 2000/01 was worked out taking into account the rehousing commitments of such postponements and the large-scale clearances such as clearances in Diamond Hill and Ho Kar Yuen as well as the Buildings Department's enforcement actions against unauthorised rooftop structures.

Signature _____

Name in block letters _____

J.A. Miller

Post Title _____

Director of Housing

Date _____

Bureau Serial No.

HB 017

Question Serial No.

0753

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : On the basis of the Housing Authority's sub-division of the territory into 4 districts, how many public rental housing units will be completed in each of the districts in the next five years? Reckoning from the preferences and household sizes of Waiting List applicants, how long will they have to wait before they are allocated public rental housing units? What is the expected annual increase in the number of Waiting List families over the next 5 years? What is the role played by the Housing Bureau in monitoring the supply and demand for public rental housing units, and what resources are needed in the process?

Asked by : Hon LEE Wing-tat

Reply :

The numbers of public rental housing units to be completed in the four geographical areas in the five-year period between 1999-2000 and 2003-04 are as follows :

<u>District</u>	<u>Flat Production</u>
(a) Urban (Hong Kong Island and Kowloon)	70,200
(b) Extended Urban (Shatin, Ma On Shan, Tseung Kwan O, Tsuen Wan, Kwai Chung and Tung Chung)	42,100
(c) New Territories	25,100
(d) Islands (excluding Tung Chung)	100
Total:	<hr/> 137,500 <hr/>

2. At present, there are 110,000 applicants on the Waiting List for public rental housing. Based on past trends, we estimate that an average of 32,100 additional households will register on the Waiting List each year between 1999-2000 and 2003-04. Adopting an estimated 65% effective demand rate, the effective demand from additional households is estimated at 104,000. As a total of 118,000 new or refurbished public housing units will become available during the period, we are confident that the average waiting time for public rental housing can be gradually reduced from six years at present to five years in 2001, four years in 2003 and three years in 2005.

3. The Housing Bureau assesses and monitors housing demand, and seeks the sufficient provision of land and supporting infrastructure to meet the demand. The resources required are absorbed in the overall establishment of the Housing Bureau.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>20 March 2000</u>

Bureau Serial No.

HB 018

Question Serial No.

0754

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 251- Housing

Subhead(No. & title) : 215 Sandwich
Class Housing
Loan Scheme

Programme :

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Regarding the Sandwich Class Housing Scheme managed by the Housing Society, why is the remaining unspent amount of \$927,000,000 returned to the Government in 99-00? Why is it that the Administration will only receive the money from the Housing Society in 2002-03?

Asked by : Hon. LEE Wing-tat

Reply : A sum of \$1,380,000,000 was approved by the Finance Committee in February 1997 for Phase VI of the Sandwich Class Housing Loan Scheme. 1 246 loans amounting to \$627,340,833 was granted. Following the Government's decision to suspend the Sandwich Class Housing Scheme and the Sandwich Class Housing Loan Scheme, the

unexpended amount could not be used for any other purposes, and was returned to the Government.

Loans are repayable as from the fourth year after issue. Since the loans for Phase VI were issued in 1998-99, repayments will be due in 2001-02. According to the Management Agreement signed with the Government, the Housing Society should repay the sums received within two months after the end of the financial year. Hence the Government will receive the repayments in 2002-03.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2000</u>

Bureau Serial No.

HB025

Question Serial No.

0755

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department Subhead 294 - Clearance and Squatter
Control

Programme : 6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer : Director of Housing

Bureau Secretary : Secretary for Housing

Question : The Housing Department estimated that 10,000 people will be rehoused as a result of various clearance programmes. Can you inform this Council the ratio and number of the various types of housing resources to be allocated by the government to the affected clearnees?

Asked by : Hon. LEE Wing-tat

Reply : It is estimated that some 10,000 persons will be rehoused in 2000/01 as a result of programmed squatter clearances and emergency clearances as well as demolition of unauthorised rooftop structures. The affected clearnees will be rehoused either to permanent rental housing or interim housing according to their eligibility. We anticipate that about 2,800 persons will be rehoused to permanent rental housing and 7,200 persons to interim housing.

Signature _____

Name in block letters J.A. Miller

Post Title Director of Housing

Date _____

Bureau Serial No.

HB026

Question Serial No.

0756

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question : The Housing Department plans to demolish 2,500 illegal structures. What types of illegal structures are involved and how many are there in each type? What percentage of the total number of illegal structures does this represent? According to the Housing Department's estimation, how long will it take to complete the entire illegal structure clearance programme? What is the annual figure on new illegal structures over the past 3 years?

Asked by : Hon. LEE Wing-tat

Reply : The 2,500 illegal structures which may include incomplete structures/extensions, domestic structures, storages, latrines/kitchens/bath sheds, canopies/shelters and animal keeping sheds etc. to be demolished in 2000/01 are estimation only. Squatter Control staff are responsible for constant and frequent patrols in squatter areas. Immediate action will be taken to demolish newly erected illegal structures when they are detected by our staff. The actual numbers of illegal structures demolished in the past 3 years are shown below -

<u>1997</u>	<u>1998</u>	<u>1999</u>
3,000	2,000	1,700

Signature

Name in block letters

J.A. Miller

Post Title

Director of Housing

Date

Bureau Serial No.

HB027

Question Serial No.

0770

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

(a) Please provide the details of the implementation of the Enhanced Productivity Programme in the organization concerned in 1999/2000 in respect of : 1) process re-engineering; 2) optimum utilization of information technology and office automation equipment; 3) reduction of expenditure on allowances; 4) saving of office expenditure and 5) methods of enhancing quality of service?

(b) How did the implementation of these measures help in the enhancement of productivity and cost-saving? (Please quote in year 1999/2000 prices.)

Asked by :

Hon. David CHU Yu-lin

Reply :

(a) It is Government's target to achieve 5% productivity gains starting with 1%, 3% and 5% (on a cumulative basis) for the years 2000/01, 2001/02 and 2002/03 respectively. Under the Enhanced Productivity Programme, we have deleted 1 Clerical Assistant post in 1999/2000 through streamlining of work processes. In 2000/01, the following measures will be taken -

i) Process Re-engineering

From time to time, the Department conduct Business Process Re-engineering with a view to enhancing efficiency through streamlining the work processes and staff redeployment. As a result, 17 clerical posts can be deleted from April 2000.

ii) Optimum utilization of Information Technology and

Office Automation Equipment

Through resource redistribution and sharing in use with a view to minimizing the need for purchasing additional computers. For more effective and quicker communication, correspondence among staff will be made through e-mail. Departmental homepage on internet will be enhanced to improve communication with the public.

iii) Reduction of Expenditure on Allowance

Overtime payment will only be incurred for staff attending emergencies such as typhoon, fire and landslip outside office hours. Also, staff are encouraged to use public transport and to maximize the use of government vehicles for official journeys. Staff taking longer leave than it is necessary in order to attract acting allowance will be discouraged.

iv) Saving of Office Expenditure

To substitute major renovation works for offices by minor maintenance works. Steps will also be taken to economize the use of stores and office equipment to avoid wastage.

v) Methods of Enhancing Quality of Service

The departmental telephone hotline system will be further enhanced to improve communication with the public.

(b) By adopting the measures as detailed in (a) above, we have achieved savings of \$11.097M, equivalent to 2.18% of the total Recurrent Baseline Expenditure in 2000/01, made up of \$0.1M savings already achieved in 1999/2000 through advanced implementation of the Enhanced Productivity Programme and \$10.997M additional savings in 2000/01.

Signature _____

Name in block letters **J.A. Miller** _____

Post Title **Director of Housing** _____

Date _____

Bureau Serial No.

HB028

Question Serial No.

0904

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

As there is still an illegal squatter population of 221,900,
(a) what measures are being taken to prevent new squatting?
(b) what plans are afoot to expedite clearance of current squatters?
(c) what resources are being allocated to enact the above?

Asked by :

Hon. Christine LOH

Reply :

(a) To prevent new squatting, squatter control staff maintain constant and frequent patrols in squatter areas. Any new illegal structures or erections detected will be demolished immediately.

(b) Upon receipt of clearance applications from works departments, Housing Department will carry out the following squatter clearances, subject to availability of resources -

i) safety clearance - to remove structures which are exposed to immediate and obvious landslip danger or are vulnerable to landslips;

ii) development clearance - to clear land for public development; and

iii) improvement clearance - to remove structures to improve the environment or living standards.

It is anticipated that some 10,000 squatters will be

cleared in year 2000 according to our clearance programme.

(c) Sufficient manpower from our Clearance Sub-section will be provided to undertake the clearance projects according to schedule. Adequate public rental housing and interim housing units will be made available to rehouse the affected clearerees. Alternatively, eligible clearerees are accorded green form status for purchase of Home Ownership Scheme flats or grant of Home Purchase Loan. In addition, singleton and two-person households may opt to receive singleton and doubleton allowance respectively in lieu of rehousing.

Signature _____

Name in block letters _____ J.A. Miller

Post Title _____ Director of Housing

Date _____

Bureau Serial No.

HB029

Question Serial No.

0942

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

(a) Why is it estimated that the number of occupants rehoused as a result of squatter and unauthorised rooftop structure clearance programmes for 2000/01 would increase substantially by more than 100% over that of last year?

(b) Please specify the detailed clearance programmes for temporary housing areas and cottage areas and the amount of expenditure involved?

Asked by :

Hon. CHAN Kam-lam

Reply :

(a) The estimated number of people (10 000) to be rehoused in 2000/01 is higher than the actual number of people (4 500) rehoused in 1999/2000. This is because of the postponement of some clearance operations scheduled for 1999/2000. The target for 2000/01 was worked out taking into account the rehousing commitments of such postponements and the large-scale clearances such as clearances in Diamond Hill and Ho Kar Yuen as well as the Buildings Department's enforcement actions against unauthorised rooftop structures.

(b) We have planned to clear 8 Temporary Housing Areas (THA) and 2 Cottage Areas (CA) in 2000/01. They are Fat Tseung Street, Kai Wo, Kai Lok, Sha Kok Mei, Tseung Kwan O, Lung Ping Road, Long Bin and Kai Yiu THAs, and Tung Tau and Fo Tan CAs. The estimated expenditure under Head 62 in these clearances is \$15.9M.

Signature _____

Name in block letters J.A. Miller

Post Title Director of Housing

Date _____

Bureau Serial No.

HB030

Question Serial No.

0943

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

Please specify the major posts to be deleted and the expenses saved for the current year as a result of the Enhanced Productivity Programme.

Asked by :

Hon. CHAN Kam-lam

Reply :

As a result of the Enhanced Productivity Programme, a total of 17 clerical posts will be deleted in 2000/01. These posts include 8 Office Assistants, 8 Clerical Assistants and one Assistant Clerical Officer. A saving of \$3.2M will be achieved in 2000/01 for the above deletion of posts.

Signature _____

Name in block letters _____

J.A. Miller

Post Title _____

Director of Housing

Date _____

Bureau Serial No.

HB013

Question Serial No.

0944

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Please state the expenditure needed for the consultancy studies on old areas like Ngau Tau Kok, Shek Kip Mei, Cheung Sha Wan and Homantin. When will the studies be completed and how many housing flats will be provided in future?

Asked by : Hon CHAN Kam-lam

Reply :

The consultancy studies of the four areas, costing \$30 million, are financed by the Housing Authority as these areas are dominated by public housing estates. The consultants will examine the physical, environmental, infrastructural and socio-economic features and constraints of these areas in a comprehensive manner, and a development proposal will be formulated to optimise the potential of each. The studies commenced in August 1999 and are expected to be completed by

the end of 2000. At this stage, details of future restructuring, housing production and other developments are not available.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>15 March 2000</u>

Bureau Serial No.

HB014

Question Serial No.

0945

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 – GS:HB Subhead (No. & title) :

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Please state the locations of those 110 hectares of agricultural land to be rezoned, together with concrete plans to review their use, the expenditure involved and the estimated number of flats to be provided.

Asked by : Hon CHAN Kam-lam

Reply :

The 110 hectares of agricultural land being considered for rezoning to residential use are made up of five sites located in Kwu Tung and Fanling in North-East New Territories. The Planning Department has prepared conceptual development plans for these sites.

The sites were identified in the course of the North-East New Territories Development Study which will be completed by the end of 2000 at an estimated cost of \$35 million.

The sites have the potential to provide about 68 000 housing units for 180 000 people.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2000</u>

Bureau Serial No.

HB015

Question Serial No.

0946

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Please state the concrete plan to review all industrial land in Hong Kong, together with the expenditure involved and the estimated number of flats to be provided.

Asked by : Hon CHAN Kam-lam

Reply :

The Planning Department conducted a survey in 1999 of industrial buildings in Hong Kong. The survey showed that there was a declining trend in the demand for industrial floorspace and that up to 66 hectares of industrial land would be surplus to requirements by 2016.

In late 1999, the Planning Department began an assessment of all existing industrial land by district, in order to identify suitable sites for rezoning to residential use. The assessment is being carried out in-house. The results will be available at the end of 2000. At this stage,

it would be premature to estimate the additional housing production which will result from this exercise.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>17 March 2000</u>

Bureau Serial No.

HB 016

Question Serial No.

0947

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead(No. & title) : 001 – Salaries

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Regarding the two new posts to be created in 2000-01, please advise the ranking and salaries of these posts, and details of the two time-limited projects.

Asked by : Hon CHAN Kam-lam

Reply : The two posts dealing with the two time-limited projects are –

- one Supplies Supervisor II (annual mid-point salary \$181,920) to review the existing system for the procurement and control of stores and equipment in the Housing Bureau, and to recommend improvement to the system, including computerisation, for better control and management of these items; and

...../2

- one Data Processor (annual mid-point salary \$151,140) to provide technical support for setting up a computerised data base on local and overseas information on housing for research and planning purposes to assist in the regular reviews of housing policies and objectives.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	14 March 2000

Bureau Serial No.

HB031

Question Serial No.

0965

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

(a) Has there been any review of the adequacy of manpower deployed to carry out clearance of squatter areas, temporary housing areas and cottage areas over the past year? If so, what is the result of the review? Is it necessary to increase such manpower?

(b) Please furnish information on the progress of cottage area clearances. Has there been assessment as to whether the clearances of cottage areas have accelerated or slowed down compared with the same last year?

Asked by :

Hon. Gary CHENG Kai-nam, J.P.

Reply :

(a) Manpower reviews are conducted from time to time to suit the changing need. As a result, a total of 44 posts, namely 1 Housing Manager, 3 Assistant Housing Managers, 9 Housing Officers, 2 Assistant Clerical Officers, 10 Clerical Assistants, 9 Office Assistants, 6 Artisans and 4 Workmen I can be deleted in 2000-01. Increase in staff strength is considered not necessary.

(b) Clearances of Tung Tau and Fo Tan Cottage Areas were announced in September 1998 and May 1999 with clearance days scheduled for December 1999 and June 2000 respectively. In 1998-99, only 24 out of 214 households of Tung Tau Cottage Area were rehoused. In 1999-2000, out of a total 340 affected households of Tung Tau and Fo Tan Cottage Areas, 143 households have been rehoused. The clearance day of Tung Tau Cottage Area has been postponed pending the result of the appeals of the affected residents. Clearance of Fo Tan Cottage Area will be carried out according to schedule

Signature _____

Name in block letters _____ J.A. Miller _____

Post Title _____ Director of Housing _____

Date _____

Bureau Serial No.

HB032

Question Serial No.

0966

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

Please furnish information on the resources used for deterring squatting activities, and for detecting and demolishing new illegal structures in last year. Have the authorities assessed the number of illegal structures which should be but have not yet been demolished and the resources required for their demolition?.

Asked by :

Hon. Gary CHENG Kai-nam, J.P.

Reply :

The estimated expenditure in 1999/2000 for squatter control is \$364.2M. Sufficient Squatter Control staff are deployed to carry out constant and frequent patrols in the territory to prevent illegal squatting activities on unleased and undeveloped Government land and private agricultural land. Any new illegal structures detected will be demolished immediately. It is anticipated that some 2,500 new erections will be detected and demolished in 2000/01.

Signature _____

Name in block letters _____

J.A. Miller

Post Title _____

Director of Housing

Date _____

Bureau Serial No.

HB035

Question Serial No.

1090

Examination of draft Estimates of Expenditure 2000-01
CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head : 711 - Housing Subhead (No. & title) : B568CL
Development at Anderson Road — consultants' fees and site investigation
Programme : Housing

Controlling Officer : Director of Civil Engineering

Bureau Secretary : Secretary for Housing

Question : What is the progress of the development at Anderson Road? On what items under this project will the estimated expenditure in 2000-01 be spent?

Asked by : Hon Fred LI Wah-ming

Reply : The project is at the detailed design stage. The design of site formation work is scheduled for completion in mid 2001. We have also commenced site investigation. This is programmed for completion towards the end of the year. We will shortly brief the Kwun Tong and Sai Kung District Councils on details of the project.

The budgetted cost under PWP item B568CL of Head 711 for the new financial year is to meet the estimated cost for consultants' fees and site investigation work.

Signature _____

Name in block letters _____

Y. C. LO

Post Title _____

Director of Civil Engineering

Date _____

17 March 2000

Examination of draft Estimates of Expenditure 2000-01
CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head : 711 - Housing Subhead (No. & title) : B569CL --
 Development near Choi Wan Road and Jordan Valley-consultants' fees and site
 investigation

Programme : Housing

Controlling Officer : Director of Civil Engineering

Bureau Secretary : Secretary for Housing

Question : What is the progress of the development at Choi Wan Road and Jordan
 Valley? On what items under this project will the estimated
 expenditure in 2000-01 be spent?

Asked by : Hon Fred LI Wah-ming, JP

Reply : The project is at the detailed design stage. The design of site
 formation work is scheduled for completion in early 2001. We have
 also commenced site investigation. This is programmed for
 completion towards the end of the year. We recently briefed the
 Kwun Tong District Council on details of the project.

The budgetted cost under PWP item B569CL of Head 711 for the new
 financial year is to meet the estimated cost for consultants' fees and site
 investigation work.

Signature _____

Name in block letters _____

Y. C. LO

Post Title _____

Director of Civil Engineering

Date _____

17 March 2000

Bureau Serial No.

HB033

Question Serial No.

1092

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

It is indicated that the estimate squatter population in urban area will drop 32.3% from 20,700 in 1999 to 14,000 in 2000. Please account for this drop in squatter population by providing the squatter areas in urban to be cleared in 2000.

Asked by :

Hon. Howard YOUNG, J.P.

Reply :

It is anticipated that the urban squatter population will be reduced after the clearance of squatter areas in Central Kowloon, such as Diamond Hill and Ho Kar Yuen in 2000/01.

Signature _____

Name in block letters _____

J.A. Miller

Post Title _____

Director of Housing

Date _____

Bureau Serial No.

HB019

Question Serial No.

1257

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead(No. & title) : 700 – General other
non-recurrent

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : In prior years, responses to questions regarding expenditures on consultants and outside contractors have resulted in vague responses such as : “while we do not anticipate any immediate savings through contracting out services, the employment of contractors permits greater flexibility in varying the number of staff employed on the various types of services according to demand. We anticipate that this will result in savings in costs in the longer term, though it is difficult to quantify these savings.” (11 March 1999 response by the Director of Lands to question on consultants and contractors, Bureau Serial Number PEL173).

This year, there has been \$800,000¹ included in the

¹ Please see the second page for the derivation of this figure.

approved commitments and estimated 1999-2000 expenditures for various consultations by just Government Secretariat: Housing Bureau alone.

In light of the stated difficulty in quantifying savings through contracting out services, what criteria are established to ensure that the government and taxpayers are getting value for money?

Subhead (Code)	Item (Code)	Approved commitment
700	004	\$800,000

Asked by : Hon Christine LOH

Reply :

Since the approval of funding for the proposed consultancy study for overseas uncompleted residential properties in September 1999, the Housing Bureau has discussed the matter with the Estate Agents Authority (EAA). As many local estate agents are involved in the sale of overseas uncompleted residential properties, the EAA plans to conduct a similar study. We agree that the EAA is a suitable body to undertake this study because the EAA consists of large and small estate agents, developers, lawyers and a representative from the Consumer Council. There is no longer the need for the Government to utilise the approved fund.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	15 March 2000

Bureau Serial No.

HB 034

Question Serial No.

1330

Examination of Draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing
Clearance and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

(a) According to Government estimate, the number of people rehoused as a result of programmed squatter and unauthorised rooftop structure clearances or emergency clearances following natural disaster in 2000 would be 10,000. Has consideration been given to the possibility of expedited clearance of rooftop structures by the Buildings Department?

(b) The estimate for 2000/2001 represents a decrease of \$8.8M against the revised estimate for 1999/2000. Has consideration been given to the factor mentioned above?

Asked by :

Hon. LEUNG Yiu-chung

Reply :

(a) The estimated number of persons (10 000) to be rehoused includes the rehousing commitment of unauthorised rooftop structures clearance of 200 buildings in 2000/01. However, we have already committed to assisting the Buildings Department in achieving the increased target of the clearance of 300 buildings in 2000/01.

(b) The reduction of \$8.8M in the operating expenses in 2000/01 is mainly due to the reduction of 44 posts and other expenditure savings under the Enhanced Productivity Programme through reduction in acting allowance and mileage claims, stricter control and

economy on the use of stores and equipment etc. The services already committed by the Housing Department will not be affected by such a reduction. For the rehousing commitments for the clearance of unauthorised rooftop structures in 2001/02 and 2002/03, it is difficult to forecast with complete accuracy the demand for rehousing generated by the clearance programme as the circumstances of each case may vary. Housing Department will discuss further with Buildings Department and seek additional resources if necessary.

Signature _____

Name in block letters _____ J.A. Miller

Post Title _____ Director of Housing

Date _____

Bureau Serial No.

HB020

Question Serial No.

1345

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 150 - GS:HB Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : The Administration announced earlier that there is a plan to clear North Point Estate, built by the Housing Authority, and use the site for development of mixed housing. Has the Administration conducted related studies on this plan beforehand? Where will this item be reflected in the draft estimates of expenditure? Are there provisions to study the clearance of other old estates built by the Housing Authority (such as Choi Hung Estate and Wo Lok Estate)?

Asked by : Hon LI Wah-ming

Reply :

A general planning assessment of North Point Estate redevelopment was carried out by the Housing Department in 1999. The Department will carry out a feasibility study of various options within this year. The study will be funded by the Housing Authority.

Apart from housing estates in the Comprehensive Redevelopment Programme, there is no plan at present to study the redevelopment potential of other old public housing estates.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>16 March 2000</u>

Bureau Serial No.

HB022

Question Serial No.

0744

Examination of draft Estimates of Expenditure 2000-01
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head 711 Subhead(No. & title) :B553CL

Programme: Housing

Controlling Officer: Director of Territory Development

Bureau Secretary: Secretary for Housing

Question: Will the study of settlement in newly reclaimed areas be included in the feasibility study for intensification and extension of Tseung Kwan O New Town under Subhead B553CL?

Asked by: The Honourable LEUNG Yiu-chung

Reply: The scope of the feasibility study for intensification and extension of TKO New Town under Subhead B553CL includes the proposed further reclamation in Tseung Kwan O Bay. A preliminary assessment on the settlement of the specific proposed new reclamation area is a part of the study.

Signature _____

Name in block letters H K WONG

Post Title Director of Territory Development

Date 14 March 2000

Bureau Serial No.

HB038

Question Serial No.

0887

Examination of draft Estimates of Expenditure 2000-01
CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head 91 Lands Department Subhead (No. & title) : 600 Works

Programme :

Controlling Officer : Director of Lands

Bureau Secretary : Secretary for Housing

Question: The expenditure for Subhead 600 Works will increase substantially by almost 50 times in the coming year. What are the details of the works? What are the reasons for the substantial increase of almost 50 times?

Asked by: The Hon. LEE Wing-tat

Reply: Provision of \$23,900,000 under Subhead 600 Works for 2000-01 represents an increase of \$23,400,000 or about 47 times over the revised estimate for 1999-2000. This Subhead consists of only Item 253 – Demolition of six Temporary Housing Areas. The total demolition cost of 6 Temporary Housing Areas (THAs) namely Kai Lok THA, Kai Wo THA, Kai Yiu THA, Tsing On THA, Sha Kok Mei THA and Long Bin THA is estimated to be \$24,400,000. The cashflow of the total cost over 1999-2000 and 2000-01 is as follows:

<u>Name of THA</u>	<u>1999-2000</u>	<u>2000-01</u>
	\$ million	\$ million
Kai Lok THA	-	8.1
Kai Wo THA	-	1.8
Kai Yiu THA	-	1.9
Tsing On THA	0.5	0.5
Sha Kok Mei THA	-	9.0
Long Bin THA	-	2.6
Total :	<u>0.5</u>	<u>23.9</u>

Signature _____

Name in block letters _____

R.D. Pope

Post Title _____

Director of Lands

Date _____

17.3.2000