

立法會
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LegCo Panel on Housing

**Minutes of special meeting
held on Thursday, 1 June 2000, at 4:30 pm
in the Chamber of the Legislative Council Building**

- Members present** : Hon LEE Wing-tat (Chairman)
Hon Gary CHENG Kai-nam, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Hon LEE Cheuk-yan
Hon NG Leung-sing
Hon Ronald ARCULLI, JP
Hon James TO Kun-sun
Hon CHAN Yuen-han
Hon CHAN Kam-lam
Hon LEUNG Yiu-chung
Hon Andrew WONG Wang-fat, JP
Dr Hon YEUNG Sum
- Members attending** : Ir Dr Hon Raymond HO Chung-tai, JP
Hon LAU Kong-wah
- Members absent** : Hon David CHU Yu-lin
Hon HO Sai-chu, SBS, JP
Hon Edward HO Sing-tin, SBS, JP
Hon Fred LI Wah-ming, JP
Hon Mrs Selina CHOW LIANG Shuk-ye, JP
Hon SZETO Wah
- Public offices attending** : Housing Bureau
Mrs Elaine TANG, Principal Assistant Secretary (2)

Housing Department

Mr R A BATES, JP, Deputy Director/Works

Mr CHAN Siu-tack, Chief Structural Engineer (1)

Clerk in attendance : Mrs Mary TANG, Chief Assistant Secretary (1)6

Staff in attendance : Miss Becky YU, Senior Assistant Secretary (1)3

I Building problems at Tung Chung Area 30 Phase 3

As the spate of building problems had undermined public confidence in the quality of public housing flats, Mr LEE Cheuk-yan asked how the Administration could tackle the problem and whether the Chairman of the Housing Authority (CHA) and the Director of Housing should take the responsibility and resign. In reply, the Deputy Director/Works (DD/W) reiterated that both the Housing Authority (HA) and the Housing Department (HD) were determined to improve building quality of public housing. He assured members that HA/HD would continue to be open and honest and would inform the public about the problems that had emerged and the remedial actions to be taken even if these would result in slippage or demolition of building works. As regards responsibility, DD/W remarked that everyone in HA/HD, including himself, should be held responsible.

2. Mr LEE opined that disclosure of problems alone was not enough, and that what mattered most was how problems could have been prevented from happening. To this end, efforts should be made to reinforce supervision on site. While agreeing with Mr LEE's point, Mr LAU Kong-wah expressed concern that the prevalence of corruption among some HD staff would impair the monitoring role of HD. DD/W took note of the members' concerns and advised that actions were being taken at all levels. HA had announced 50 recommendations under its implementation plan on enhancing public housing quality and special attention would be paid to reforms within HD. To strengthen supervision on site, sufficient and competent site staff would be deployed to all sites during project implementation. Resident professionals would be made available for piling and large-scale building projects whenever necessary. HD was also working very closely with the Independent Commission Against Corruption (ICAC) to ensure that ethics and integrity were paramount in the staff culture.

Suspected use of rejected substandard reinforcement in Home Ownership Scheme (HOS) development at Tung Chung Area 30 Phase 3

3. Miss CHAN Yuen-han considered that the rejected substandard reinforcement bars should not have been used if HD had an effective control system for reinforcement as in the case of the private sector. To prevent the recurrence of similar incident, Miss CHAN urged HD to suspend all its construction works until a better system had been worked out.

Expressing similar concern, Mr CHAN Kam-lam asked how the rejected bars could have been re-employed in the construction site. DD/W clarified that at present, there was no evidence to show that the rejected bars, comprising two to three percents of the total delivery, had been used in the site. The case was still under investigation by HD and a conclusion had yet to be made. He stressed that HD had in place a more stringent quality control system for reinforcement than the private sector. Nevertheless, any system would be open to fraud. To plug the loophole, a review was being undertaken on the mechanisms of marking rejected batches of reinforcement and monitoring the performance of suppliers.

4. On the degree of non-compliance of the rejected bars, DD/W advised that they had failed the laboratory tests on yield stress or mass density by a small margin of five to ten percents. Ir Dr HO Chung-tai enquired about the impact of the rejected bars on building safety, particularly if these had been used in the same location of the buildings. The Chief Structural Engineer (1) (CSE (1)) explained that the building design had already provided for a wider safety margin on the number of reinforcement bars to be used. Given the small quantity of the rejected bars involved, the impact on the structural safety of the blocks could be minimal, even if their use was concentrated in one location of the blocks. Since it might not be possible for HD to inspect each and every batch of reinforcement bars delivered to site, Dr YEUNG Sum expressed concern that HD might have under-estimated the quantity of rejected bars. CSE (1) explained that the problematic batches were identified by HD during the construction process. They were marked and removed from the site. Testing by material laboratories appointed by HD showed that all the other batches of reinforcement bars were satisfactory.

5. Despite the Administration's assurance, Mr CHAN Kam-lam remained concerned that the rejected bars might affect the life span of the buildings. Mr Andrew WONG also expressed worries that latent defects might arise as a result of the use of non-compliant construction materials. To alleviate the concern of prospective buyers, they urged HA to extend the structural guarantee period for the blocks. Mr Albert HO shared the views of the two members. He however considered that HA should suspend the sale of the blocks in the light of the incident. In reply, DD/W reiterated that from a design point of view, there was no cause for concern on the life span, durability and integrity of the buildings, even if the rejected bars had been used. Nor would these give rise to latent defects as alleged. Therefore, there was no reason to suspend the sale of the blocks. Besides, HA had already undertaken to provide a 10-year structural guarantee for all new and existing HOS developments from the date of completion. Mr WONG considered it imprudent for the Administration to rule out the possibility of latent defects at the present stage. He asked who should take the responsibility if it was later found out after the expiration of the 10-year structural guarantee period that the rejected bars had indeed affected the structural safety of the blocks. DD/W advised that as the developer of the project, HA would be responsible for any latent defects within the statutory period of limitation.

6. The Chairman enquired about the difference between compliant and non-compliant reinforcement bars if the use of the latter would not affect the structural safety nor the life span of the buildings. DD/W stressed that as additional reserve of strength had been provided for in the design, the structural safety of the buildings would not be compromised even if the rejected bars had been used. Notwithstanding, if it was proven

that the rejected bars had been used in the construction, this would constitute a non-compliance with the contract and action would be taken against the contractor. The Chairman noted that CHA had openly stated that HA would not accept any building works which did not meet the specifications laid down in the contract. He cautioned that if HA were to accept the HOS development at Tung Chung Area 30 Phase 3 despite the use of non-compliant reinforcement bars, this would set a bad precedent for the construction industry. Unnecessary disputes on the standard for acceptance of non-compliant works would also be expected. DD/W advised that it had been HD's policy to insist on the removal of non-compliant construction materials from construction sites. If it was later found out that substandard materials had been used which would affect the durability and structural integrity of the buildings, immediate actions ranging from remedial works to demolition of buildings would be taken as necessary. In the case of Tung Chung Area 30 Phase 3, DD/W reiterated that while the buildings were structurally safe, HD would take serious actions against the contractor for contractual non-compliance if it was proven that the rejected bars had been used for construction in the site.

7. As to how HD could track down the rejected bars, DD/W advised that although it was not known exactly where the rejected bars might have been used, HD had instructed the contractor concerned to open up certain reinforced concrete structural elements which were cast within the relevant period when the rejected bars were suspected to have been returned, handled and cut in the construction site. In the event that any substandard reinforcement was found, the contractor would be responsible for all the consequential remedial actions. The important point was to ascertain whether the contractor was at fault.

8. Mr NG Leung-sing remarked that as the public might find it difficult to distinguish the difference between problems which might affect building safety and those might not, it would be useful if HA could categorize the building problems once these were discovered to avoid unnecessary misunderstanding. DD/W took note of Mr NG's view.

Penalty actions against the contractor concerned

9. Mr LEE Cheuk-yan considered that the penalty of restricting the contractor from tendering for a period of three months from June to August 2000 was insufficient to deter malpractice, particularly when the contractor could tender for other projects using different names. DD/W clarified that apart from the three-month period, the contractor concerned had already been restricted from tendering on account of his poor past performance. Subject to further investigation, disciplinary actions might be taken against the contractor for contractual non-compliance.

Way forward

10. As to when HD would complete the investigation on the suspected use of substandard reinforcement bars in Tung Chung Area 30 Phase 3, DD/W advised that this would take at least two to three weeks taking into account the technical complexity in removing the reinforcement bars from the existing structures for non-compliance test. Members agreed to follow-up the subject again at the special meeting scheduled for Monday, 19 June 2000, at 4:00 pm. Meanwhile, the Chairman requested and members

undertook to consult their respective political parties on the propriety for the current Legislative Council to recommend to the new Legislative Council to be established after September 2000 the setting up of a Select Committee to probe into the accountability of the state of building problems in public housing.

II Any other business

11. There being no other business, the meeting ended at 5:40 pm.

Legislative Council Secretariat

21 August 2000