

**For discussion  
on 4 November 2002**

## **Legislative Council Panel on Housing**

### **Housing (Amendment) Bill**

#### **Purpose**

This paper briefs Members on our intention to introduce proposed legislative amendments to the Housing Ordinance (Cap. 283) to enable the Secretary for Housing, Planning and Lands (SHPL) to be eligible for appointment as the Chairman of the Housing Authority (CHA), and to make consequential amendments so that the power of appointment of appeal panel is transferred from SHPL to the Chief Executive (CE).

#### **Background**

2. The Committee on the Review of the Institutional Framework for Public Housing (RIFPH) published its report on 20 June 2002. The Report recognises that the efficient delivery of the public housing programmes is hampered by organisational and structural problems, including confusion in relation to the individuals or agencies, who should properly be regarded as spokesman on housing matters. The Report recommends, among other things, that the Principal Official responsible for housing policy (i.e. SHPL) should be the sole spokesman on the Government's housing policy, and that he should be appointed CHA *ex officio* following an appropriate change to the relevant legislation.

#### **Justifications**

##### ***Chairmanship of the Housing Authority***

3. Under the Housing Ordinance, only non-official Housing Authority (HA) members are eligible for appointment by the CE as CHA.

The RIFPH Report envisages that the HA will eventually become an advisory body and recommends that SHPL be appointed CHA ex officio. We propose to amend the Housing Ordinance such that the CE may appoint either an official or a non-official HA member to become CHA.

4. Under the accountability system introduced since 1 July 2002, Principal Officials are responsible for all aspects of their portfolios: from determining policy objectives and goals, to policy initiation, policy formulation, policy implementation and policy outcome. They are responsible to the CE and take part in the decision making process and the allocation of resources of the Government as a whole. An important area of work of Principal Officials is to review advisory and statutory bodies relating to their portfolios.

5. In accordance with the accountability system, the statutory and advisory bodies relating to housing should respond to SHPL. The new arrangement whereby SHPL becomes CHA will serve to integrate the operations of the HA into the Government's overall policy making process. It will enable SHPL to have full authority over and therefore be able to take responsibility for all aspects of the formulation and implementation of policy. It will also allow for greater accountability to the Legislative Council and the public on our housing policies and programmes.

### *Appeal panel and tribunals*

6. Section 7A of the Housing Ordinance empowers SHPL to appoint appeal panel to hear appeals against termination of public housing tenancies. Prior to 1995, the authority to appoint appeal panel was vested in the HA. Members of the appeal panel comprised a mix of HA members and co-opted members. This arrangement had given rise to concern over possible conflict of interest in that HA members would be reviewing tenancy decisions of the HA. This might compromise the independence and objectivity of the appeal process and was unsatisfactory from a Bill of Rights perspective.

7. To address this, the Housing Ordinance was amended in 1995 to empower the Secretary for Housing to appoint persons who are not HA members to the appeal panel and make rules regulating the appeal process. With the introduction of the accountability system since 1 July 2002, the power to appoint appeal panel has been transferred from the former Secretary for Housing to SHPL.

8. Should SHPL be appointed CHA as proposed in paragraph 3 above, the pre-1995 situation may arise whereby SHPL will have the power to appoint appeal panel to review decisions of the HA of which he is the Chairman. This may give rise to a challenge that such an appeal process is not an independent one. We therefore propose that the relevant section in the Housing Ordinance should be amended to the effect that the power of appointment of appeal panel be transferred to the CE.

### **Way forward**

9. We intend to finalize details of the proposed legislative amendments shortly and aim to introduce the Bill into LegCo for First Reading on 4 December 2002.

**Housing Department  
Housing, Planning and Lands Bureau  
October 2002**