## 立法會 Legislative Council

LC Paper No. CB(1) 2573/09-10 (These minutes have been seen by the Administration)

Ref: CB1/PL/HG/1

#### **Panel on Housing**

Minutes of special meeting held on Monday, 24 May 2010, at 8:30 am in the Chamber of the Legislative Council Building

**Members present**: Hon WONG Kwok-hing, MH (Chairman)

Hon Fred LI Wah-ming, SBS, JP Hon CHAN Kam-lam, SBS, JP

Hon LEUNG Yiu-chung

Hon Abraham SHEK Lai-him, SBS, JP Hon Vincent FANG Kang, SBS, JP

Hon LEE Wing-tat

Dr Hon Joseph LEE Kok-long, SBS, JP Prof Hon Patrick LAU Sau-shing, SBS, JP

Hon WONG Kwok-kin, BBS Hon Alan LEONG Kah-kit, SC Hon LEUNG Kwok-hung

**Members absent**: Hon Frederick FUNG Kin-kee, SBS, JP (Deputy Chairman)

Hon James TO Kun-sun Hon CHAN Hak-kan

Public officers attending

: For item I

Mr D W PESCOD, JP

Permanent Secretary for Transport and Housing (Housing)

Ms Ada FUNG, JP

Deputy Director (Development & Construction)

**Housing Department** 

Ms Connie YEUNG

Chief Architect (Development & Standards)

Housing Department

Mr HO Wing-ip

Acting Chief Building Services Engineer Housing Department

#### For item II

Mr D W PESCOD, JP

Permanent Secretary for Transport and Housing (Housing)

Ms Ada FUNG, JP

Deputy Director (Development & Construction)

**Housing Department** 

Ms Connie YEUNG

Chief Architect (Development & Standards)

**Housing Department** 

Mr Stuart CHEN

Chief Manager/Management (TNS)

**Housing Department** 

#### For item III

Mr YAU Shing-mu, JP

Acting Secretary for Transport and Housing

Mr D W PESCOD, JP

Permanent Secretary for Transport and Housing (Housing)

Ms Annette LEE, JP

Deputy Secretary for Transport and Housing (Housing)

Mr Eugene FUNG

Principal Assistant Secretary for Transport and Housing

(Housing) (Private Housing)

**Clerk in attendance**: Miss Becky YU

Chief Council Secretary (1)1

**Staff in attendance** : Mrs Mary TANG

Senior Council Secretary (1)2

Miss Mandy POON

Legislative Assistant (1)4

The <u>Chairman</u> welcomed Mr Alan LEONG and Mr LEUNG Kwok hung for re-joining the Panel after the by-election.

### I. New initiatives for barrier free access in new housing estates

(LC Paper No. CB(1) 1909/09-10(01) — Administration's paper on new initiatives for barrier free access in new housing estates

LC Paper No. CB(1) 1909/09-10(02) — Paper on progress of the provision of barrier-free access

in public housing estates prepared by the Legislative Council Secretariat (updated

background brief))

2. The <u>Permanent Secretary for Transport and Housing (Housing)</u> (PSTH(H)) briefed the Panel on the progress of implementation of the new initiatives for barrier free access in new public rental housing (PRH) estates by the Hong Kong Housing Authority (HA) in accordance with the obligatory design requirements of the "Design Manual: Barrier Free Access 2008" (the Design Manual). The <u>Deputy Director of Housing (Development & Construction)</u> (DDH(D&C)) gave a power-point presentation on the tactile guide path system with multi-sensory map and the new lighting design.

(*Post-meeting note*: A set of the power-point presentation materials was circulated to members vide LC Paper No. CB(1) 2018/09-10(01).)

3. Mr Alan LEONG stressed the need to ensure that access would indeed be barrier free and universally accessible without obstacles. PSTH(H) assured members that measures, which included the highlighting of edges of stairs etc, had been taken to ensure universal accessibility. Continued efforts would be made to adopt the best practices to ensure barrier free access. It was also worth noting that the responsibility of ensuring barrier free access did not rest only on estate management, as tenants also had the responsibility to care for people with disabilities.

#### Tactile guide path system with multi-sensory map

4. Mr WONG Kwok-kin enquired whether visually impaired persons had been invited to try out the tactile guide path system and if so, their feedback on the system. He also enquired if there were plans to extend the system to all existing PRH estates. DDH(D&C) said that the tactile guide path system with multi-sensory map was developed in collaboration with the Hong Kong Society for the Blind. A trial had also been conducted on the use of the system by visually impaired persons. Apart from new PRH estates, consideration would be given to extending the new system to existing PRH estates by phases, taking into account their needs. In fact, tactile guide paths were already provided in most existing PRH estates.

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5. The <u>Chairman</u> welcomed the implementation of tactile guide path system with multi-sensory map which was first developed in 2006. He enquired about the cost and time frame for installing the system in all existing PRH estates. <u>PSTH(H)</u> said that the multi-sensory map would cost about \$80,000 for each estate and would be installed as an ongoing programme. <u>DDH(D&C)</u> added that assistance from the Hong Kong Society for the Blind would be required in installing the multi-sensory maps to take account of the situations of different estates. At members' request, the <u>Administration</u> agreed to provide the timeframe for installing the tactile guide path system with multi-sensory map in all existing PRH estates.

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#### New lighting design

- 6. Noting that many housing estates in the Mainland were equipped with motion sensors would automatically turn on the lighting systems of staircases when someone entered the designated area, Mr WONG Kwok-kin questioned why the new lighting design to be adopted in new PRH estates would still require manual activation. DDH(D&C) said that manual activation was only required for lighting systems of lift lobbies and corridors, but not staircases which were equipped with motion sensors. The Acting Chief Building Services Engineer (Atg CBSE) supplemented that the illumination level of lift lobbies would be maintained at 50 lux and that of corridors and staircases at 30 lux around the clock to meet the need of most people. illumination level would be increased to 85 lux for a pre-determined period of time (e.g. 10 minutes) if triggered by users entering these areas. This innovative design was practical, cost effective and environment-friendly as it could reduce electricity consumption. Manual activation was adopted for the standby lighting system of lift lobbies and corridors as this could reduce unintentional raising of illumination level thus helping to save energy. Motion sensors were installed for the standby lighting system of staircases because the direction and number of floors to be traveled by individuals could not be predicted. Motion sensors to switch on individual standby light would better serve the purpose.
- 7. Mr Vincent FANG enquired about the rationale for setting the high illumination level for standby lightings at 85 lux, and the feasibility of adjusting the system to a lower lighting intensity. Atg CBSE explained that the Design Manual mandated the minimum illumination level at common areas of building for the convenience of the visually impaired. The illumination level of lift lobbies, corridors, and staircases was 85 lux. It would be quite costly to adjust the lighting intensity as this would require substantial change to the lighting system.
- 8. Noting that the new lighting system could achieve an estimated annual energy savings of 121 000 kWh for a typical 40-storey cruciform domestic block with 800 flats, or about 30% of the total consumption for the lighting system without such control, Mr Vincent FANG enquired about the installation cost and the pay-back period for the hardware of the new lighting system, and whether efforts would be made to encourage private developers to adopt the new lighting design if this was

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proved to be energy efficient. Mr CHAN Kam-lam echoed that the new lighting design was worth implementing from an environmental perspective on account of the significant energy savings. Apart from new PRH estates, consideration should be given to extending the system to existing PRH estates, say during major renovation works. He enquired about the plan and time table for the extension. While welcoming the new lighting design, the Chairman said that this was not new and should have been introduced a long time ago. It was disappointed that the Tung Tau Estate Phase 9, the first project with the new lighting design, was not due for completion until November 2011. To facilitate application of the new lighting design to all PRH estates, consideration should be given to incorporating it in the Total Maintenance Scheme for PRH estates.

- 9. In response, Atg CBSE advised that for a typical 40-storey cruciform domestic block with 800 flats, an additional cost of about \$0.8 million would be required for the installation of extra wiring, conduits and control systems for the new lighting design. Based on the annual energy savings of about 30% of the total consumption for the lighting system without such control, the pay-back period was expected to be about 6.6 years. Given its high energy efficiency, the application of the new lighting system in new PRH estates would serve an exemplary purpose. was believed that with more publicity, the private developers would be aware of the PSTH(H) supplemented that the Administration would exchange views with academics and the private sector on the lighting systems to be implemented in public and private housing developments. While effort would be made to implement the new lighting design in existing PRH estates, replacing the existing lighting systems before their usual service life would incur additional cost. There was a need to balance the need for replacement of the lighting systems, taking into account their costs and benefits. It might be more cost effective to replace the lighting systems in older estates which were due for replacement. DDH(D&C) added that HA would endeavour to identify the types of barrier free access facilities which could be incorporated under the Total Maintenance Scheme for PRH estates.
- 10. Mr Alan LEONG was pleased to note that the Administration would be exchanging views with the private sector on the lighting systems to be implemented in private residential developments. He hoped that a site visit to some new PRH estates could be arranged so that interested parties could see for themselves the new initiatives for barrier free access in these estates. PSTH(H) said that interested parties, including private developers, were very welcomed to visit the new PRH estates and observe the new initiatives for barrier free access.

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II. Measures to increase the greening ratio of new public rental housing estates and the provision of recreational facilities in existing estates

(LC Paper No. CB(1) 1909/09-10(03) — Administration's paper on measures to increase the greening ratio of new public rental housing estates and the provision of recreational facilities in existing estates

LC Paper No. CB(1) 1909/09-10(04) — Paper on environment-friendly designs and green measures implemented in public rental housing estates prepared by the

(updated background brief))

Legislative Council Secretariat

11. <u>PSTH(H)</u> briefed members on the measures implemented by HA to increase the greening ratio of new PRH estates, and the provision of recreational facilities in existing estates. <u>DDH(D&C)</u> gave a power-point presentation on the greening measures and recreational facilities which had been implemented.

(*Post-meeting note*: A set of the power-point presentation materials was circulated to members vide LC Paper No. CB(1) 2018/09-10(02).)

- 12. While commending HA's efforts in enhancing greening in PRH estates, Mr CHAN Kam-lam was concerned that greening measures would often have to compete with recreational facilities in terms of space. By way of illustration, the greening measures in Yau Lai Estates and Choi Ying Estate had taken up some of the space earmarked for recreational facilities. There was a need for a better estate design in order to strike a proper balance between greening and the provision of recreational facilities for the benefit of residents. DDH(D&C) explained that recreational facilities within districts were provided in accordance with the Hong Kong Planning Standards and Guidelines (HKPSG), taking into account the size of The implementation of greening measures the population and needs of residents. would not compromise the provision of recreational facilities within districts. Mr CHAN questioned why there was only one basketball court in Yau Tong, Lei Yue Mun, Ko Yee Estate and Yau Lai Estate if recreational facilities were provided in line with planning guidelines and size of population. He stressed the need for more recreational facilities, such as facilities for table tennis and seating areas for the elderly, to be provided at suitable places within the estates. DDH(D&C) said that users' requirements would be taken into account in the planning of recreational facilities within estates. Meanwhile, the recreational facilities in Yau Tong and Lei Yue Mun were considered adequate and were provided in accordance with HKPSG.
- 13. The <u>Chairman</u> was concerned about the inadequate provision of recreational facilities in older estates, such as Kwai Shing West Estate which was not equipped

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He considered it necessary for HA to conduct a with any recreational facilities. study on the priority for the provision of recreational facilities in older estates. DDH(D&C) said that new PRH estates would be developed in accordance with HKPSG to cater for the needs of residents. For existing estates, The Chief Manager/Management (TNS) (CM/M(TNS)) said that different types of recreational facilities were provided to meet the needs of the younger and older generation. While there was no fixed planning ratio for recreational facilities within estates, more facilities for the elderly would be provided for estates with an ageing population. the some 3 200 recreational facilities within existing estates, 850 (27%) were specially designed for the elderly. Estate Management Advisory Committees (EMAC) would also be consulted in the planning of recreational facilities to ensure that residents' needs as well as user requirements were met. There were however land constraints in the provision of recreational facilities in some older estates. provide for improvements works for estates aged over 40 years, HA had launched the Comprehensive Structural Investigation Programme which had been extended to cover estates aged over 36 years in view of its good progress. He agreed to look into the situation of Kwai Shing West Estate.

- While welcoming the provision of fitness equipment in PRH estates to cater for the need of the ageing population, Mr LEUNG Yiu-chung noted that funding for the equipment came from the estate management funds of EMAC rather than HA. This had limited the upgrading and maintenance of the equipment which would hinge on the availability of fund. He asked if HA was prepared to provide direct funding for the provision of recreational facilities for the elderly. Besides, bulk purchase of fitness equipment by HA for PRH estates could achieve an economy of scale and enable a wider choice of selection of equipment. The Chairman enquired whether a planning ratio based on population size was adopted in the provision of recreational facilities within estates. He stressed that recreational facilities should be planned according to population size and needs of residents rather than availability of funds. The CM/M(TNS) explained that there were three sources of funding for the provision of recreational facilities in PRH estates. These included EMAC's management fund, HA's maintenance and improvement budget, and funds under the estate improvement programme for the upgrading of estate facilities for ageing estates. As the objective of the EMAC's management fund was to encourage residents to take part in managing the estates, many estates had used the fund to provide recreational facilities for the elderly, in addition to that provided by HA.
- 15. Mr LEUNG Yiu-chung noted that some benches in the open areas of PRH estates were not sheltered. Consideration should be given to providing shelters for these benches not only to enable more use of these benches, but also to provide protection from rain and falling objects. Mr LEUNG Kwok-hung also pointed out that some benches in the open areas of older estates like Kai Yip Estate, Wo Che Estate and Lek Yuen Estate were not sheltered, and that many recreational facilities were broken and worn out. The situation was further aggravated since the taking over of the management of divested estates by The Link Management Company

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where many recreational facilities were removed. For example, many concrete tables in the open areas which the elderly gathered to play chess were dismantled on grounds that gambling activities were being carried out. He considered it necessary for the Administration to visit the three estates to ascertain the situation.

16. In response, <u>CM/M(TNS)</u> said that the provision of shelters for benches in open estate areas was an ongoing process using funds from the three aforementioned sources. In the light of members' concern, efforts would be made to expedite the provision of shelters for benches in open areas. As regards Lek Yuen Estate, <u>CM/M(TNS)</u> said that a structural study was just completed and the estate maintenance and improvement programme would commence next year. As for the Wo Che Estate, an estate action plan was being compiled with a view to assessing the need for improvement. However, Kai Yip Estate had yet to be included in the estate improvement programme. <u>CM/M(TNS)</u> added that The Link Management Company might have temporarily closed down some facilities at Lek Yuen Estate in the course of renovation. Efforts would be made to improve the situation. The Panel was welcomed to visit Wo Che Estate and Lek Yuen Estate.

Admin 17. At members' request, the <u>Administration</u> would provide supplementary information on the progress of provision of recreational facilities in existing PRH estates, and the number of estates where public areas had been taken up by The Link Management Company following the divestment.

# III. New enhancement measures to strengthen the regulation of the sales of first-hand private residential properties

(LC Paper No. CB(1) 1909/09-10(05) — Administration's paper on new

enhancement measures to strengthen the regulation of the sales of first-hand private

residential properties

residential p

Paper on a summary of local press reports on views of various sectors in Hong Kong on sales arrangements for first-hand private residential properties announced by the Government from 12 April to 17 May 2010 prepared by the Legislative Council Secretariat (fact sheet))

- 18. The <u>Acting Secretary for Transport and Housing</u> (Atg STH) briefed members on the new enhancement measures to strengthen the regulation of the sales of first-hand private residential properties.
- 19. <u>Mr LEUNG Yiu-chung</u> held the view that the Administration had not made

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any effort to regulate property sales in the past to protect the interest of consumers. The Chairman echoed that the Government had inclined to developers. absence of time frame and roadmap for control of property sales, public dissatisfaction could not be quelled. Atg STH explained that the Administration had been closely monitoring the property market situation, and had introduced measures to enhance the stability and transparency of the property market. In the past two years, the Transport and Housing Bureau (THB) had implemented a number of measures to enhance the transparency and clarity of the property information on uncompleted first-hand residential properties through the Lands Department Consent Scheme (the Consent Scheme) and/or The Real Estate Developers Association of Hong Kong (REDA)'s guidelines. These included (a) requiring developers to provide in their websites and sales offices transaction information within five working days after the signing of the respective Preliminary Agreements for Sale and Purchase; (b) standardizing the definition of "saleable area"; (c) standardizing the presentation of price list; (d) requiring developers to show the price per square foot/metre in "saleable area" of individual flats in their price lists; and (e) requiring developers to provide more comprehensive and detailed property information in sales brochures. enhance the transparency and fairness of the sales arrangements and transactions of first-hand private residential properties, THB was working towards implementing nine new enhancement measures through REDA's guidelines and the Consent Scheme.

The Chairman was concerned about the conflict of interest on the part of 20. REDA in enforcing the guidelines, particularly in the absence of a monitoring mechanism on REDA's operation. Mr CHAN Kam-lam also enquired how REDA could ensure compliance with the guidelines in the sale of first-hand properties, especially by those who were not members of REDA, and the consequences in the event of non-compliance. Expressing similar concerns, Mr Alan LEONG enquired about the modus operandi of REDA's guidelines. Atg STH advised that a committee had been set up by REDA and cases of non-compliance would be referred to the committee for follow-up and sanctions as appropriate. From 2007 to 2009, REDA had received over 30 complaints about the sales of uncompleted first-hand properties. REDA considered that the nature and findings of those complaints did not require the cases to be heard by the Compliance Committee, and had followed up the cases with the developers concerned. He added that apart from REDA's guidelines, the Consent Scheme also played an important role in strengthening the regulation of uncompleted first-hand properties. In the case of non-compliance with the Consent Scheme in respect of the nine new measures by developers, the Lands Department would issue warning letters, to be followed by withdrawal of consent if the contravention continued. In the more serious cases of non-compliance, consideration would be given to withdrawing consent without warning. Atg STH said that the nine new measures were meant to strengthen the regulation of the sales of first-hand private Under close scrutiny of LegCo members, the public, the media residential properties. and prospective buyers, developers were expected to comply with REDA's guidelines. REDA was also expected to take steps to ensure compliance by developers. Deputy Secretary for Transport and Housing (Housing) (DSTH(H)) added that most of <u>Action</u> - 10 -

the developers were members of REDA. Previous experience indicated that in general developers had been complying with REDA's guidelines.

- 21. Noting from a media report that the committee set up to monitor the implementation of REDA's guidelines did not hold any meeting so far, Mr LEUNG Kwok-hung asked how the decision on the 30 complaints had been reached. He was also skeptical about the efficacy of self-regulation by REDA as this was not established by statute. He enquired about the membership of REDA and its terms of reference, the number of meetings which REDA had held with the Administration and major developers, and cases of withdrawal of consent by the Lands Department. DSTH(H) agreed to provide the membership list of REDA for members' reference. Atg STH added that while the Administration had met and exchanged views with various members of REDA, no formal records of these meetings were kept.
- Mr LEUNG Yiu-chung noted that despite the measures taken by the Administration, many sales brochures still contained misleading property information. In some cases, even the address of a property was inaccurate. He enquired about the measures to be taken to ensure compliance by developers. Atg STH assured members that the Administration would closely monitor the effectiveness of and compliance with the new enhancement measures as well as REDA's guidelines and the Consent Scheme. DSTH(H) added that the Administration would follow up with REDA on cases of non-compliance, and require REDA to take prompt remedial actions where appropriate. The new enhancement measures would also be included for implementation in the Consent Scheme under the Lands Department.
- 23. Mr Abraham SHEK said that REDA was supportive of the new enhancement measures to strengthen the regulation of the sales of first-hand private residential properties, and to improve the transparency of property information. He pointed out that over the years, REDA had been updating its guidelines to take account of the market situation. The 30 complaints cases referred to in the preceding paragraphs only involved minor matters, such as belated distribution of sales brochures, which did not require further follow-up by REDA's committee.

#### Legislation on regulation of property sales

24. Noting that the Administration would only consider introducing legislative measures to regulate property sales if the new enhancement measures were ineffective, Mr LEUNG Yiu-chung was concerned about the timeliness of the legislative measures, which would take time to take effect. As the new enhancement measures were meant to enhance the stability and sustainability of the property market, these should be implemented in the form of legislation to provide greater protection to property buyers. Atg STH said that measures should be implemented on a progressive basis. The Administration would monitor closely the effectiveness of the new enhancement measures before contemplating on the next step. As legislative process would take time to complete, it was considered most expedient to introduce the new enhancement

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measures under REDA' guidelines and the Consent Scheme.

- 25. Mr Alan LEONG recalled that when minimum wage was discussed last year, the Administration had allowed one year to observe the effectiveness of self-regulatory measures before considering the need for legislation. However, no similar time frame had been set for the new enhancement measures. It appeared that more favorable treatment was accorded to developers. He enquired whether there were objective criteria to assess the effectiveness of the new enhancement measures, and if so, the time frame for assessment. The Chairman also enquired about the circumstances under which the new enhancement measures would be considered ineffective. Atg STH explained that there was no hard and fast rule in assessing the effectiveness of the new enhancement measures. The Administration would closely monitor the property market taking into account factors, such as compliance by developers, orderliness of flat sales, and transparency in the provision of property information, and would take actions as appropriate if the new enhancement measures The Chairman expressed disappointment at the were found to be ineffective. Administration's response despite repeated requests from the Consumer Council on the need to introduce legislation to regulate property sales. He urged the Administration to seriously consider members' views and take actions as appropriate.
- 26. Mr LEE Wing-tat agreed that legislative control with penalty provisions was more effective than guidelines in regulating property sales. He pointed out that the committee set up under REDA had not held meetings to discuss progress of implementation of the guidelines. Nor had it taken any punitive measures against non-compliance by developers. On the other hand, the Lands Department had only issued warning letters to developers. He therefore did not have confidence in the effectiveness of the new enhancement measures. However, with the introduction of legislative control, enforcement actions ranging from warning letters, suspension of sales to fines etc. could be taken. Moreover, the Legislative Council had recently passed a motion urging the Administration to introduce legislation to regulate the sales of uncompleted first-hand private residential properties. He was gravely disappointed that the Administration had declined to introduce legislation on grounds that there was no public consensus on the motion.

#### Minimum number of units to be included in the first price list

27. Mr CHAN Kam-lam noted that under the new enhancement measures, the minimum number of units to be included in the first price list of small-scale developments would be 30 units or 30% of the total number of units put up for sale in each batch, whichever was the higher, while that for large-scale developments would be 50 units or 50%. He enquired about the party responsible for deciding the number of units to be put on sale in each batch. DSTH(H) explained that small-scale developments referred to those developments with less than 100 units while large-scale developments to those with 100 units or more. She pointed out that the minimum percentage of units to be included in the first price list had been increased.

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At the same time, some degree of flexibility was allowed for developers to decide on the number of units to be put on sale in each batch in response to market conditions.

Mr LEE Wing-tat opined that the proposed increase in the number of units to be included in the first price list would not be of much help in regulating property Developers would be able to manipulate the market supply by limiting the number of units in each batch, particularly when consent had been given for sales of several blocks of uncompleted flats within a development. He also enquired about the applicability of the measures to re-sale of a whole block of flats to a single buyer. Atg STH said that the increase in the number of units to be included in the first price list aimed to enhance the transparency and clarity of property information. Developers were also required under REDA's guidelines to provide in their websites and sales offices transaction information within five working days after the signing of the Preliminary Agreement for Sale and Purchase. These measures would provide more up-to-date and accurate information on the property market. Developers were also required to observe the "five-day disclosure" rule for en-bloc sale to a single DSTH(H) added that the proposed increase in the number of units to be included in the first price list, together with the requirement to make public the price list at least three calendar days in advance of the commencement of sale, were meant to strike a balance between the transparency of information and allowing some flexibility for developers to respond to market conditions.

#### IV. Any other business

29. There being no other business, the meeting ended at 10:30 am.

Council Business Division 1
<u>Legislative Council Secretariat</u>
16 July 2010