

立法會
Legislative Council

LC Paper No. CB(1)1638/12-13
(These minutes have been seen
by the Administration)

Ref : CB1/PL/HG/1

Panel on Housing

Minutes of meeting
held on Monday, 15 April 2013, at 8:30am
in Conference Room 3 of the Legislative Council Complex

Members present : Hon WONG Kwok-hing, MH (Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, SBS, JP
Hon Vincent FANG Kang, SBS, JP
Dr Hon Joseph LEE Kok-long, SBS, JP
Dr Hon LAM Tai-fai, SBS, JP
Hon IP Kwok-him, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Michael TIEN Puk-sun, BBS, JP
Hon WU Chi-wai, MH
Hon Gary FAN Kwok-wai
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Dr Hon Fernando CHEUNG Chiu-hung
Ir Dr Hon LO Wai-kwok, BBS, MH, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Hon Tony TSE Wai-chuen

Members absent : Hon Frederick FUNG Kin-kee, SBS, JP (Deputy Chairman)
Hon LEE Cheuk-yan
Hon WONG Yuk-man

Public Officers attending : **For item IV**

Mr D W PESCOD, JP
Permanent Secretary for Transport and Housing (Housing)

Mr Albert LEE, JP
Deputy Director (Estate Management)
Housing Department

Mr CHAN Siu-tack
Assistant Director (Estate Management) 2
Housing Department

For item V

Mr D W PESCOD, JP
Permanent Secretary for Transport and Housing (Housing)

Mr Albert LEE, JP
Deputy Director (Estate Management)
Housing Department

Mr CHAN Siu-tack
Assistant Director (Estate Management) 2
Housing Department

For item VI

Mr D W PESCOD, JP
Permanent Secretary for Transport and Housing (Housing)

Miss Agnes WONG, JP
Deputy Secretary for Transport and Housing (Housing)

Mr Tony LIU
Assistant Director (Estate Management) 3
Housing Department

Mr Anson LAI
Assistant Director (Strategic Planning)
Housing Department

Clerk in attendance : Ms Miranda HON
Chief Council Secretary (1)1

Staff in attendance : Mrs Mary TANG
Senior Council Secretary (1)1

Miss Mandy POON
Legislative Assistant (1)1

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I. Confirmation of minutes

(LC Paper No. CB(1)825/12-13 — Minutes of the special meeting held on 18 January 2013)

The minutes of the special meeting held on 18 January 2013 were confirmed.

II. Information paper issued since last meeting

2. Members noted that the following papers had been issued since the last meeting -

(LC Paper No. CB(1)648/12-13(01) — Referral from the Public Accounts Committee on issues relating to Hong Kong Housing Authority: Management of commercial properties

LC Paper No. CB(1)670/12-13(01) — "Land Registry Statistics for February 2013" provided by the Administration (press release)

LC Paper No. CB(1)807/12-13(01) — "Land Registry Statistics for March 2013" provided by the Administration (press release))

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III. Items for discussion at the next meeting

(LC Paper No. CB(1)826/12-13(01) — List of follow-up actions

LC Paper No. CB(1)826/12-13(02) — List of outstanding items for discussion)

3. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 6 May 2013, at 2:30 pm -

(a) Review of enhanced partnering arrangements among Estate Management Advisory Committees and non-governmental organizations to promote neighbourliness in public rental housing estates; and

(b) Technical studies for potential public housing sites in the planning process.

(Post meeting note: With the concurrence of the Chairman, the next regular meeting of the Panel originally scheduled for 6 May 2013 was subsequently rescheduled to Tuesday, 9 May 2013, at 8:30 am to avoid clashing with the anticipated continuation of the Council meeting on that day.)

IV. Progress of Total Maintenance Scheme

(LC Paper No. CB(1)826/12-13(03) — Administration's paper on "Progress of Total Maintenance Scheme"

LC Paper No. CB(1)826/12-13(04) — Updated background brief on "Total Maintenance Scheme" prepared by the Legislative Council Secretariat)

4. The Permanent Secretary for Transport and Housing (Housing) ("PSTH(H)") briefed members on the progress of the Total Maintenance Scheme ("TMS") for Public Rental Housing ("PRH") estates implemented by the Hong Kong Housing Authority ("HA"). The Assistant Director of Housing (Estate Management) 2 ("ADH(EM)2") gave a power-point presentation on the subject.

(Post-meeting note: A set of the power-point presentation materials on the subject was circulated to members vide LC Paper No. CB(1)860/12-13(01) on 15 April 2013.)

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- Admin 5. At the Chairman's request, the Administration undertook to provide the lists of the 177 PRH estates in which the first five-year cycle of TMS had been successfully implemented and the 58 PRH estates in which the second five-year cycle of TMS had been/would be rolled out.
6. Dr KWOK Ka-ki supported the need for TMS particularly with the aging of PRH estates. Noting that the overall satisfactory rate was maintained at a level of about 80% based on a customer satisfaction survey conducted in 2011-2012, he enquired about the views of the remaining 20%. His concern was shared by Mr WU Chi-wai. The Deputy Director of Housing (Estate Management) ("DDH(EM)") said that while the satisfactory rate had been consistently maintained at 80%, the Housing Department ("HD") would not be complacent and would continue to improve the standard of service. The views of the remaining 20% were mostly in relation to the noise nuisance associated with repair works and the failure of contractors to adhere to the scheduled appointments. There were others who were dissatisfied that they had to pay for the additional services that fell outside the scope of repairs under TMS. ADH(EM)2 added that of the remaining 20%, only 2 % were not satisfied with the services under TMS while the other 18% did not have any views.
7. Dr KWOK Ka-ki further said that as some tenants, particularly the elderly recipients of the Comprehensive Social Security Assistance ("CSSA"), might wish to seek the assistance of TMS contractors in performing works which were outside the scope of TMS, he enquired if special arrangements could be made with the Social Welfare Department ("SWD") to enable the contractors to carry out such works for the convenience of the elderly. DDH(EM) responded that apart from the regular repair and maintenance services, some additional works as requested by tenants would also be performed by TMS contractors and separate payments would be made by the tenants for the additional works. Where necessary, SWD would be consulted on the provision of additional services to elderly CSSA households.
8. Mr LEUNG Che-cheung said that while TMS provided proactive inspection of in-flat conditions and comprehensive repair services to tenants of PRH estates, HD should do more to reduce the disturbance and inconvenience caused by the repair and maintenance works. Noting the difficulties in resolving water seepage problems as some of the tenants were unwilling to allow access to their units to facilitate identification of the source of seepage, he enquired about the means to tackle the problem. DDH(EM) explained that water seepage was a common problem handled in the first cycle of TMS and about 15% of the repair works were related to seepage problems. He was pleased to inform members that the percentage of repair works related to water seepage had dropped to 7% in the second cycle of TMS. As denying HD staff or staff representing HD entry for repairs was a misdeed that carried seven penalty points under the Marking Scheme for Estate Management Enforcement

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in Public Housing Estates ("Marking Scheme"), the tenants concerned would not deny entry to their units to facilitate repairs.

9. Mr LEUNG Che-cheung further enquired if consideration could be given to replacing the folding iron gates for the flat units in PRH estates in Tin Shui Wai as many of them were not functioning properly. DDH(EM) said that HD would make efforts to repair the iron gates as far as possible and replacement would only be carried out if necessary.

10. Mr Alan LEONG queried the reduction in the number of works orders in relation to water seepage under the second cycle of TMS, as there should have been more seepage cases with the ageing of estates. He pointed out that although denying entry for repairs was a misdeed under the Marking Scheme, there was indeed much difficulty in gaining entry to units to identify the source of seepage. There was hence a need for enhanced efforts by the relevant departments in resolving water seepage problems. DDH(EM) responded that water seepage problems were not easy to resolve. Although access could be gained to the units concerned, it was very often difficult to identify the source of seepage. ADH(EM)2 added that housing staff were required to report on the number and progress of water seepage cases in the districts under their charge on a monthly basis. With the development of more advanced technologies for water seepage repairs, it was hoped that the disturbance to tenants could be minimized.

11. Mr KWOK Wai-keung supported the need for TMS. He sought information on the percentage of the 344 300 works orders issued during the first cycle of TMS which were related to structural repairs, including spalling and water seepage. He also enquired if there was a ceiling set on the number of works orders which could be carried out in each estate, beyond which there would not be further repairs and the estate should be due for redevelopment.

12. DDH(EM) responded that under the first cycle of TMS, spalling was the most common problem, followed by drainage, tiling and seepage. With the satisfactory completion of the first cycle of TMS, there had been reduction in repair orders under the second cycle of TMS. Most of the repair orders were not related to structural problems. Despite the ageing of the estates, most of them were in a satisfactory state of repair. PSTH(H) said that HD had been carrying out structural investigation programmes on a regular basis to deal with structural problems and ensure the long-term sustainability of PRH estates. On Mr KWOK's further enquiry about the cost incurred by TMS, ADH(EM)2 said that about \$900 million was incurred by the first cycle of TMS, averaging about \$20 per month for each PRH unit.

13. Mr LEUNG Yiu-chung also expressed support for TMS which had brought about better maintenance of PRH units and enhanced customer services.

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He was however concerned that TMS only provided repair works for items that had arisen due to natural wear and tear but not for items which were damaged by tenants. He hoped that the scope for repair and maintenance under TMS could be extended for the convenience of tenants. He also pointed out that as the electrical wiring of the ageing units were in need of repair, he hoped that this would be included in TMS, particularly for the units occupied by elderly tenants. DDH(EM) responded that while TMS contractors would check the wiring to ensure safety, the tenants concerned would have to bear the cost of repair as HD should be cautious in spending public money. PSTH(H) said that as some installations were added by tenants themselves, they should be held responsible for the repair and maintenance of their own installations. TMS would only deal with emergency repairs of such installations in case they caused safety concerns.

14. Mr WU Chi-wai said that he was aware that arrangements had been made for replacing the electrical wiring and water pipes of some of the ageing estates and he enquired if such was part of the maintenance policy and whether these works could be carried out in tandem in order to minimize inconvenience to tenants. He was also concerned that the repair works were not satisfactorily performed and there was a need to engage experts to ensure that the works were up to the required standard. DDH(EM) said that it had been a standard practice to replace electrical wiring and water pipes of ageing estates. Efforts would be made to reduce inconvenience to tenants as far as possible when carrying out repair and maintenance works under TMS. ADH(EM)2 supplemented that only contractors who had a proven performance record would be allowed to tender for TMS works. Before commencement of the repair and maintenance works, a sample of the works would be provided to the contractors for reference to facilitate their compliance with the standard required. Spot checks would be made on the performance of contractors to ensure satisfactory completion of works.

15. Mr Tony TSE enquired whether TMS would extend the service lives of PRH units and if so, by how many years. DDH(EM) said that as TMS provided for preventive maintenance, it would likely be able to extend the service lives of PRH units. With proper maintenance, PRH units could be in use for 50 to 60 years. Meanwhile, comprehensive structural investigation programmes would be carried out for PRH estates aged 40 or over. PSTH(H) added that the decision of whether to retain estates was not only based on their structural conditions. Since 2012, two other criteria had been included, namely the opportunity to have development gains from the redevelopment of the site and the availability of decanting facilities within the area.

16. The Chairman enquired whether cost was the main consideration in awarding the tender for TMS. DDH(EM) replied in the negative and stated that the past performance of the contractors would also be taken into account and a scoring system had been in use for the purpose.

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17. The Chairman commended HD for the use of a computerized system which recorded maintenance items via a Personal Digital Assistant and enquired if the system could be promoted for use on a wider scale in private developments. DDH(EM) said that a Maintenance History Database had been set up for indoor maintenance works under TMS and it would be extended to cover outdoor maintenance works. He would relay the suggestion of promoting the computerized maintenance system on a wider scale in private developments to relevant government departments for consideration.

18. The Chairman and Mr Tony TSE enquired if TMS was applicable to Tenant Purchase Scheme ("TPS") flats. PSTH(H) said that TMS was applicable to tenants of PRH units but not owners of TPS flats.

V. Progress report on addition of lifts and escalators to existing public rental housing estates

(LC Paper No. CB(1)826/12-13(05) — Administration's paper on "Progress report on addition of lifts and escalators to existing public rental housing estates"

LC Paper No. CB(1)826/12-13(06) — Updated background brief on "Progress of addition of lifts and escalators in Housing Authority's existing public housing estates" prepared by the Legislative Council Secretariat

LC Paper No. CB(1)846/12-13(01) — Submission from The Democratic Party Hong Kong Island Branch (Chinese version only))

19. PSTH(H) briefed members on the progress of the programme for adding lifts, escalators and footbridges to HA's existing PRH estates by highlighting the salient points of the information paper. ADH(EM)2 gave a power-point presentation on the subject.

(*Post-meeting note:* A set of the power-point presentation materials on the subject was circulated to members vide LC Paper No. CB(1) 860/12-13(02) on 15 April 2013.)

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Admin 20. At the Chairman's request, the Administration undertook to provide the list of PRH estates which had completed the Lift Addition Programme ("LAP") and the Lift Modernization Programme ("LMP") and the list of PRH estates at which these programmes would be carried out.

21. Noting that some PRH flats had to be cleared to allow access for the new lifts, Mr KWOK Wai-keung enquired if the clearance was carried out smoothly and whether any complaints were received from affected tenants. Referring to some press reports that the performance ratings of five lift maintenance companies, including the Otis Elevator Company ("Otis"), were at level three which was unsatisfactory, he enquired whether those companies had been providing lift maintenance services for PRH estates. He also asked whether inspections other than regular maintenance were carried out on the lifts in PRH estates on account of their high usage rate. He would like to know whether, apart from cost considerations, the scale of operation and the availability of manpower resources of lift contractors would be taken into account in awarding the tender for lift maintenance in PRH estates.

22. ADH(EM)2 said that in the clearance of PRH units to allow access for the new lifts, HD would make efforts to comply with the requests of affected tenants as far as possible. As regards Otis, it was one of the lift maintenance contractors for PRH estates as HD had insisted on using the maintenance services provided by the lift manufacturers. In view of the high usage rate of lifts in PRH estates, inspections were carried out at least weekly and the number of inspections was more frequent than that required by the Electrical and Mechanical Services Department. HD had implemented a scoring system for assessing the performance of lift maintenance contractors and would require them to make improvements as necessary. The performance of Otis was graded as above average for lift maintenance.

23. Mr KWOK Wai-keung further enquired about the means to ensure lift safety. DDH(EM) assured members that safety was of the greatest concern and measures had been put in place to monitor the safety of lifts. Investigations would be held on lifts which had not been operating satisfactorily and improvements would be made as necessary. The performance of lift contractors would be closely monitored. PSTH(H) added that if a lift incident occurred, whether in an HA site or in a private development, the lift contractor concerned would be required to report the incident and assist in the investigation.

24. Mr LEUNG Kwok-hung questioned why the lift modernization projects had to be carried out in stages and he supported expediting both LAP and LMP. He shared the concern about the performance of Otis in the maintenance of lifts. PSTH(H) explained that if the lift modernization projects were all implemented in tandem, there would be significant impact on tenants, particularly those who

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had mobility problems. There were over 5 000 lifts in PRH estates and about 100 lifts were replaced in a year. Over the years, about 600 lifts had been replaced under LMP. There were reviews on lift contractors to ensure their performance.

25. Miss Alice MAK welcomed the implementation of LAP and LMP. She enquired whether lifts could be provided in addition to escalators for the convenience of the elderly and the wheel-chair bound passengers who were unable to use escalators. She also enquired about the criteria for deciding on the number and capacity of lifts to be provided and whether additional lifts would be provided in areas with high demand for lift services. ADH(EM)2 responded that HA's guiding principles for determining whether or not to add new lift facilities included topographical factors (vertical rise); existing accessibility of footbridges; social acceptability; effectiveness on spending public resource; technical feasibility; and estate redevelopment potential. In deciding on the number and capacity of lifts to be provided, an assessment would be made on the demand for lift services in the area. While acknowledging the need for lifts to allow barrier free access, DDH(EM) stated that the provision of lifts was affected by topographical factors and there were locations where lifts could not be provided. He further advised that lift addition proposals would be considered with high priority if there was a high demand for lift services.

26. Dr Fernando CHEUNG enquired whether all PRH estates would be provided with "universal accessibility" upon completion of LAP. He hoped that with LMP, the number of PRH units which did not have lift services would be reduced. He also emphasized the need to reduce the inconvenience caused by the installation of lifts and shorten the installation time. ADH(EM)2 responded that while efforts would be made to provide lifts and escalators in PRH estates as far as possible, there were some older estates where lifts and escalators could not be provided due to technical difficulties or topographical constraints, as in the case of the Model Housing Estate. Tenants living in units without lift services could apply for transfer if they were in need of such services. HD had adopted a streamlined lift installation procedure which would shorten the installation period from 10 months to 7.5 months. At Dr CHEUNG's request, the Administration would provide information on those PRH estates which had not been provided with lift and escalator services.

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27. Mr Michael TIEN was concerned that a footbridge linking a Home Ownership Scheme Court with the shopping centre of Cheung Hong Estate which was currently managed by The Link Management Company was not provided with lift or escalator services, and no government department was willing to take up the responsibility for providing such services for the footbridge. He enquired about the principles governing the provision of lifts and escalators for such footbridges. ADH(EM)2 said that HD would be responsible for providing barrier free access if the footbridge was located within

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PRH estate area which was managed by HD. The Highways Department would be responsible for coordinating the provision of barrier free access outside PRH estate areas.

28. Mr Christopher CHUNG enquired about the progress of installation of lifts at Yiu Tung Estate. He also enquired whether HD would consider providing a glass-framed lift which would be less expensive and easier to be installed. He further pointed out that there was a need for adjustment of the lift operation mechanism as he noted that if one lift was held up, the use of the other lifts could not be optimized. ADH(EM)2 responded that the installation of lifts at Yiu Tung Estate would be completed in the first half of 2013. The glass-framed lifts would not be suitable for use in PRH estates as the temperature in the lift cabin would be too high during summer. He would look into the operation of lifts in PRH estates. DDH(EM) supplemented that glass-framed lifts were usually used in buildings with a few storeys but were seldom used in high-rise estate blocks. Notwithstanding this, HD would adopt an open approach in the choice of lifts.

29. Mr WU Chi-wai enquired if tenants could be apprised of the future programme of addition and replacement of lifts and escalators. As there might be several lift contractors engaged for the maintenance of lifts in one PRH estate, he enquired if more effective control could be exercised by engaging one lift contractor for the entire estate. ADH(EM)2 explained that as the estate blocks were completed in phases, different lift contractors might be engaged for maintenance as HA required the lifts to be maintained by their respective manufacturers. In response to Mr WU, the Administration would provide a breakdown on the lifts to be replaced and the age of the PRH estates.

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VI. Rent payment for public housing tenants

(LC Paper No. CB(1)826/12-13(07) — Administration's paper on "Rent payment for public rental tenants")

30. The Deputy Secretary for Transport and Housing (Housing) ("DSTH(H)") explained the Government's proposal to pay two months' rent for tenants living in the PRH units of HA and the Hong Kong Housing Society ("HS") by highlighting the salient points of the information paper.

31. Noting that tenants of Elderly Persons' Flats in HS Group B estates would be paid two months' rent while non-Elderly Persons' Flats tenants of HS Group B estates would be paid two-thirds of their net rent for two months, the Chairman enquired about the location of the three HS Group B estates and the age requirement to qualify as an elderly. DSTH(H) said that the three HS Group B estates were Healthy Village Phase I Redevelopment at North Point,

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Prosperous Garden at Yau Ma Tei and Bo Shek Mansion at Tsuen Wan. She advised that the age requirement to qualify as an elderly would be 60 or over.

32. Mr LEUNG Che-cheung said that he had been approached by recipients of the CSSA Scheme who claimed that the Government's proposal to pay two months' rent had not provided them with additional relief as their rent had already been paid for by the SWD. DSTH(H) responded that the purpose of the rent payment was indeed to provide relief for PRH tenants. However, as the PRH rent of CSSA households had already been paid for directly by SWD on their behalf, the rent payment proposal would not have actual effect on those households. As proposed in the 2013-2014 Budget, CSSA recipients would benefit from the extra allowance which was equal to one month of the standard rate of CSSA payments.

33. The Chairman enquired about the timing for the implementation of the proposal. DSTH(H) replied that it would take about two months to prepare for the rent payment. If approval was given by the Finance Committee ("FC") in June 2013, the rents for the months of August and September 2013 could be paid.

34. The Chairman pointed out that as some members had indicated their intention to introduce hundreds of amendments to the Appropriation Bill 2013, the debate on those amendments might last until the end of May 2013. If the Appropriation Bill 2013 could not be approved in time, the proposal to pay two months' rent for PRH tenants could not be implemented by August/September 2013. He enquired about the measures to deal with the situation. The Permanent Secretary for Transport and Housing (Housing) ("PSTH(H)") responded that as the Administration could not submit the proposal to FC until the Appropriation Bill 2013 was passed, the proposal would be held in abeyance in the meantime. Arrangement would be made to submit the proposal as soon as the Bill was passed.

35. The Chairman enquired whether, pending the submission of the proposal to FC, the Administration could proceed with the preparatory work with a view to shortening the two months' lead time for preparation of rent payment. PSTH(H) said that the Administration had already been working on the preparatory work for rent payment but the proposal could not be taken forward until the Appropriation Bill 2013 was passed. DSTH(H) added that while the preparatory work such as computer system adjustment could be done in advance, the verification of tenancy records could only be carried out upon confirmation of the timing for rent payment, given that the tenancy records were subject to changes with the moving in and out of PRH households. The Chairman called upon members to object to filibustering which would procrastinate the application for funding for the relief measures under the 2013-2014 Budget.

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36. Mr Michael TIEN noted with concern that the 22 000 well-off PRH tenants paying additional rent would also be eligible for the proposed rent payment, which would mean that the Government would have to incur about \$60 million to \$70 million in paying the rent for them, and they might not be qualified to stay in PRH as their income and assets had well exceeded the prescribed limits. He sought justifications for the proposed rent payment for the well-off PRH tenants.

37. DSTH(H) explained that while the well-off PRH tenants were required to pay 1.5 times or double net rent, the Government would only pay on their behalf their net rent for two months, but not their additional rent. This was in line with the arrangement for rent payment measures proposed in the Budgets in the past years. Although the income and assets of well-off PRH tenants had exceeded the prescribed limits, they were still living in PRH units and were low-income earners who would require relief measures. On balance, the Government had decided that such tenants should also be covered under the rent payment proposal. Mr TIEN stressed that he had reservations about the proposed rent payment for well-off PRH tenants and considered it necessary that the policy be reviewed.

38. The Chairman concluded that members supported the submission of the proposal to FC.

VII. Any other business

39. There being no other business, the meeting ended at 10:13 am.

Council Business Division 1
Legislative Council Secretariat
30 July 2013