

立法會
Legislative Council

LC Paper No. CB(1)1740/12-13
(These minutes have been seen
by the Administration)

Ref : CB1/PL/HG/1

Panel on Housing

Minutes of meeting
held on Thursday, 9 May 2013, at 8:30 am
in Conference Room 2 of the Legislative Council Complex

Members present : Hon WONG Kwok-hing, MH (Chairman)
Hon LEE Cheuk-yan
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, SBS, JP
Dr Hon Joseph LEE Kok-long, 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 WONG Yuk-man
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 Vincent FANG Kang, SBS, JP
Dr Hon LAM Tai-fai, SBS, JP

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 Tony LIU
Assistant Director (Estate Management) 3
Housing Department

For item V

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

Ms Ada FUNG, JP
Deputy Director (Development & Construction)
Housing Department

Mrs Connie LAI
Chief Planning Officer 1
Housing Department

Mr Kenneth WONG
Chief Civil Engineer 1
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)954/12-13 — Minutes of the meeting held on 8 February 2013)

The minutes of the meeting held on 8 February 2013 were confirmed.

II. Information paper issued since last meeting

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

(LC Paper No. CB(1)984/12-13(01) — "Land Registry Statistics for April 2013" provided by the Administration (press release))

III. Items for discussion at the next meeting

(LC Paper No. CB(1)912/12-13(01) — Letter dated 22 April 2013 from Hon Michael TIEN Puk-sun to the Chairman (Chinese version only)

LC Paper No. CB(1)955/12-13(01) — List of follow-up actions

LC Paper No. CB(1)955/12-13(02) — List of outstanding items for discussion)

3. Members agreed to discuss the following two items which were proposed by the Administration for discussion at the next regular meeting scheduled for Monday, 3 June 2013, at 2:30 pm –

- (a) Public Works Programme Item No. B195SC – Community Hall at Sau Ming Road, Kwun Tong; and
- (b) Improving the living environment of Po Tin Estate and related issues.

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4. As there were only two items for discussion at the next meeting, the Chairman requested the Administration to consider including one more item from the list of outstanding items for discussion, such as "Overcrowding relief in public rental housing" or "Review of the Landlord and Tenant (Consolidation) Ordinance (Cap. 7)", into the agenda of the meeting on 3 June 2013. The Permanent Secretary for Transport and Housing (Housing) ("PSTH(H)") agreed to look into the suggestion.

5. Dr Fernando CHEUNG supported that priority be accorded to discussing the subject of "Rent control" as part of the review of the Landlord and Tenant (Consolidation) Ordinance (Cap.7).

(Post-meeting note: On the advice of the Administration and with the concurrence of the Chairman, an additional item on "Overcrowding relief in public rental housing estates" was included in the agenda of the next meeting on 3 June 2013.)

IV. Review of enhanced partnering arrangements among Estate Management Advisory Committees and non-governmental organizations to promote neighbourliness in public rental housing estates

(LC Paper No. CB(1)955/12-13(03) — Administration's paper on "Review of enhanced partnering arrangements among Estate Management Advisory Committees and non-governmental organizations to promote neighbourliness in public rental housing estates")

6. PSTH(H) briefed members on the review findings on the implementation of the enhanced partnering arrangements among Estate Management Advisory Committees ("EMACs") and Non-Governmental Organizations ("NGOs") in public rental housing ("PRH") estates by highlighting the salient point of the information paper. He advised that new measures would be introduced to optimise the use of the EMAC funds to organize community building activities for tenants. The Assistant Director of Housing (Estate Management) 3 ("ADH(EM)3") 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)1017/12-13(01) on 9 May 2013.)

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Adequacy of EMAC funds

7. Mr LEUNG Che-cheung said that as an EMAC member in Tin Shui Wai, he had participated in some of the community building activities organized by EMACs. He found the enhanced partnering arrangements among EMACs and NGOs useful in promoting neighbourliness in PRH estates and worthy of support. He was however concerned about the adequacy of EMAC funds as each EMAC was only allowed to use up to 30% of the EMAC funds for enhanced partnering arrangements while the remaining 70% had to be used for funding minor improvement projects, particularly for large ageing estates where a lot of improvement works were required. He enquired whether the EMAC funds for PRH estates, which were provided on the basis of \$100 per PRH unit, could be increased. The Deputy Director of Housing (Estate Management) ("DDH(EM)") explained that many of the minor improvement projects implemented in PRH estates, such as the provision of lifts and shelters, had been separately funded without using EMAC funds. Under the enhanced arrangements, EMACs were allowed to use 30% of the EMAC funds (a total of about \$17.35 million) of their respective PRH estates to partner with NGOs. So far, the actual expenses were less than 30% and there were sufficient funds for organizing partnering functions. The need to increase EMAC funds would be looked into as and when necessary.

8. Mr WU Chi-wai was concerned about the many restrictions governing the use of EMAC funds and that fixed amounts had to be set aside for the printing of annual reports and greening, etc. As such, there was not much flexibility for organizing partnering functions and undertaking improvement works. He would support that more funds be allocated to EMACs and that more flexibility be allowed for the use of funds. Mr WU further said that as some of the community building activities organized by NGOs had overlapping themes, EMACs should be given the authority to decide the type of activities to be held. DDH(EM) responded that where necessary, virement of funds would be separately provided to those PRH estates requiring improvement works. ADH(EM)3 added that EMAC members were consulted on the types of activities and improvement projects to be funded by EMACs.

9. Mr KWOK Wai-keung enquired about the possibility of increasing EMAC funds as the provision of \$100 per unit per year would not be sufficient. He supported the adoption of more focused themes to foster neighbourliness. He also enquired about the means to assess the effectiveness of the partnering functions. PSTH(H) said that EMAC funds were public money and had to be spent with prudence. Efforts had to be made to ensure that the distribution of funds would suit the needs of the local community. There would be coordination among EMACs, NGOs and District Councils on the organization of activities in the districts. DDH(EM) added that the themes of partnering functions would cover care for the elderly, supporting services for different

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target groups, promotion of family cohesion, healthy living and environmental protection. The themes of partnering functions for 2013-2014 would be care for the elderly and environmental protection. EMACs would conduct performance assessments on the NGOs concerned upon completion of the partnering activities, taking into account the effectiveness of the activities, the number of participants and their feedbacks, etc.

10. The Chairman said that as the enhanced partnering arrangements had been in place for five years and were subject to review, he suggested that the EMAC funds should be adjusted in line with inflation. Given the need to undertake basic improvement works in PRH estates such as the provision of greening and recreational facilities, he was of the view that such facilities should be funded directly by the Housing Authority, and not by way of EMAC funds. In this way, the limited EMAC funds could better provide for other activities including enhanced partnering arrangements. He would also support that the partnering activities should target at the under-privileged, in an attempt to reach out more effectively to those who were in need of assistance, in particular, the elderly who were living alone and the ex-mentally-ill persons.

11. DDH(EM) responded that where necessary, there could be virement of funds to implement improvement works in the estates. It was worthy to note that provisions were allowed for carrying out general improvement works to all estates and the use of EMAC funds for such purposes was not required. ADH(EM)3 said that the purpose of the enhanced partnering arrangements among EMACs and NGOs was to optimize the use of EMAC funds to organize community building activities for tenants, according to the needs and preference of individual estates. Through the partnering arrangements, more outreaching services could be provided to the under-privileged who were in need of assistance, including the elderly who were living alone and the ex-mentally-ill persons. He informed members that the allowances for partnering functions at \$30,000 per function for small estates and \$50,000 per function for large estates were sufficient for the purposes. Thanks to the cooperation among EMAC, NGOs and housing staff, all of the functions were within budget. Where necessary, flexibility would be exercised in the funding of activities which required additional funding.

Partnering arrangements

12. Dr Fernando CHEUNG indicated support for the partnering arrangements which would help foster neighbourliness and strengthen tenants' sense of belonging towards the community. He shared the concern about duplicating efforts being made in the partnering arrangements given that the District Councils and NGOs were separately organizing similar activities in the community. He would support that EMACs be given the necessary flexibility in deciding on the types of partnering activities to be held using EMAC funds.

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He also supported more transparency in the partnering arrangements. For example, the types of activities held, funding provided, NGOs taking part in the activities and number of participants could be uploaded onto the internet for the knowledge of the public. DDH(EM) said that EMACs and NGOs were encouraged to adopt a partnering approach in organizing the community building activities. He agreed to look into the request for improving transparency in the partnering arrangements.

13. Ir Dr LO Wai-kiwok said that he had served on EMACs before and was aware of the benefits brought about by the partnering functions. He supported the implementation of the enhanced partnering arrangements as the activities held would help foster neighbourliness in PRH estates. The holding of partnering functions in the estates would also strengthen tenants' sense of belonging, particularly for elderly tenants who had mobility problems. The functions could also serve as a useful platform for promotional activities, such as those relating to public health and disease prevention. He enquired about the role of the District Council members in the partnering arrangements given that most of them were members of both EMACs and NGOs at the same time. ADH(EM)3 said that elected District Council members were ex officio members of EMACs within the districts in which they were elected. EMAC members would jointly decide on the funding for the partnering functions and the funding could not be used for the purposes of political publicity by any individual or organization.

14. Mr LEUNG Kwok-hung noted that of the community building activities organized under the partnering arrangements, those with themes relating to youth and families/women/children constituted only 3% and 7% respectively, which were disproportionate to the youth/women/children population in the estates. Instead of relying on EMACs to identify NGOs for organizing community building activities, he considered that a tender arrangement should be introduced to encourage more NGOs to take part. He also requested the Administration to provide the theme of each of the 800 partnering functions held during the period from April 2011 to March 2013 for members' reference. ADH(EM)3 explained that apart from the 3% themed activities which were targeted at youths, there were other activities such as those relating to environmental protection, greening activities and training/learning programmes which would welcome participation by youths and families. A wide range of themed activities were arranged under the enhanced partnering arrangements using EMAC funds. There was much transparency in the organization of activities and the views of EMACs, NGOs, the Social Welfare Department and relevant departments would be sought, taking into account the needs and preference of individual estates.

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V. Technical studies for potential public housing sites in the planning process

(LC Paper No. CB(1)955/12-13(04) — Administration's paper on "Technical studies for potential public housing sites in the planning process")

15. PSTH(H) briefed members on the range of technical studies required during the planning process to assess the suitability and feasibility of developing potential sites for public housing use. The Deputy Director of Housing (Development & Construction) ("DDH(D&C)") 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)1017/12-13(02) on 9 May 2013.)

Compression of completion schedule for public housing projects

16. Dr KWOK Ka-ki was dissatisfied about the long time required for developing public housing. He commented that if the Housing Authority ("HA") was able to fast track the housing production by reducing the planning and design process from three years to one year, it would not require five years to produce 75 000 PRH units. He also enquired whether the technical studies could be carried out in parallel in an attempt to further expedite the production process. PSTH(H) responded that HA had been extremely efficient in the production of public housing. The planning and design stage of the construction projects had been compressed from three years to one year. All of the preliminary studies were prepared in parallel to ensure that the projects would be completed on time. He assured members that 79 000 PRH units would be completed within the next five years as pledged by the Government because the works contracts had already been let and the construction was underway. As a result of the efforts made to expedite housing production, the delivery of 4 000 PRH units and 17 000 Home Ownership Scheme units had been advanced. PSTH(H) suggested and the Chairman agreed to pay a visit to the construction sites to observe the progress of works.

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(Post-meeting note : The site visit for Members of the Panel on Housing had been arranged on 29 July 2013.)

17. Miss Alice MAK said that in view of the insufficient housing supply, more efforts were needed to expedite housing production. She enquired if the completion schedule for PRH projects could be further expedited without compromising construction safety and building quality. DDH(D&C) replied

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that the housing production process could only be expedited if the site was ready for development. For sites which required rezoning, land resumption, clearance and site formation, the production process could take more than seven years. She assured members that safety and quality would not be compromised in expediting housing production. PSTH(H) added that while the preliminary works could be compressed to one year, the construction process would take time. The construction process could only be shortened by a few weeks through the adoption of off-site pre-fabrication and other methodologies such as computer-aided designs, which had been adopted to expedite the production process. Continued efforts would be made to advance the delivery of PRH projects.

18. Mr Abraham SHEK was concerned about the impact of compressing the completion schedule for PRH projects from seven to five years on the safety of construction workers. He was dissatisfied that the Administration had not responded to his earlier letter on the subject. He pointed out that members would need to be apprised of the cost implications in compressing the completion schedule of PRH projects. PSTH(H) emphasized that only the preliminary works but not the construction works would be fast-tracked. The safety of construction workers was of paramount importance. He would rather delay the projects than risk the safety of construction workers. He apologized for not having responded to Mr SHEK's letter earlier and he would be sending a reply soon.

19. Mr Abraham SHEK considered it necessary that the Administration should communicate with the construction industry on the compression of the production schedule for PRH projects. PSTH(H) said that there had been ongoing dialogue between relevant government departments, the Construction Industry Council as well as the housing contractors/workers on the compression of the production schedule. DDH(D&C) assured members that the public housing construction sites were one of the safest in Hong Kong. The accident rate of public housing sites was 7.4%, which was much lower than that of private construction sites. The safety requirements of public housing projects were more stringent than those required under the law and construction safety would not be compromised in any way. She reiterated that only the planning and design process had been fast-tracked, but not the construction works. Mr SHEK opined that the Administration should aim at a zero accident rate.

20. Mr Tony TSE commended the Housing Department for having adopted measures to advance completion of public housing projects by way of off-site prefabrication. While he supported the advance completion of PRH projects, he shared the concern about the need to ensure construction safety and the pressure on manpower resources. With reference to the retail viability study, he considered it necessary to ensure that the retail facilities provided would meet the needs and affordability of the residents of PRH estates. PSTH(H) responded

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that the Administration was aware of the pressure on housing staff in the delivery of public housing projects and more staff would be recruited for the purpose. On-going training would be provided to staff engaged in public housing construction. Consultation would be held with PRH residents on the range of retail facilities to be provided to meet their needs.

21. Mr WU Chi-wai also pointed out that construction safety and building quality were of paramount importance in public housing projects. He was concerned that the advance completion of PRH projects through fast-tracking of preliminary works might compromise the transparency of the consultation process. He further enquired about the availability of land for public housing developments for 2018-2019 and 2019-2020. PSTH(H) explained that the district councils and local communities would be consulted at an early stage and that the consultation process would not be compromised as a result of the advance completion of PRH projects. Efforts would be made to secure land to meet the targeted production of 20 000 PRH units per year in the next five years starting from 2018 and there was confidence that sufficient land could be secured. The public housing production was set out in the five-year Public Housing Construction Programme.

22. Ir Dr LO Wai-kwok declared interest as a member of the Building Committee and the Tender Committee of HA. He pointed out that all of the technical studies were a necessary part of the housing production process, and much effort had to be made to compress the planning and design process from three years to one year. The cooperation of all building professionals was required. In view of the increased workload and pressure arising from the compressed schedule, he was concerned about the shortage of manpower and the lack of coordination with relevant works department in public housing production. DDH(D&C) responded that there had been effective coordination among the different works department in public housing production. PSTH(H) said that in view of the heavy workload, additional manpower resources would be sought in the next Resource Allocation Exercise.

23. Mr LEUNG Yiu-chung stated that while he would not object to the compression of completion schedule of PRH projects, he was concerned about the consequences it might have on building quality, construction safety and transparency of public consultation. Despite the assurances made by the Administration, he remained concerned about the quality of public housing in view of the many complaints received. Besides, the compressed schedule might not allow sufficient time for HA to accommodate the requests made during the consultation process to address local concerns. PSTH(H) reiterated that there would be no compromise on safety in public housing production. He stressed that the Administration was fast-tracking the preliminary works but not the construction process. HA had learnt lessons from previous incidents and there would be close supervision on contractors to ensure the quality of works.

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Meanwhile, improvements were made to the standard of maintenance works.

24. Mr WONG Yuk-man said that there was a need to expedite the process of the many technical studies. Otherwise, the completion of PRH projects could not be advanced. Referring to the conversion of the Chai Wan Factory Estate to provide for 180 PRH units, he was of the view that this was not justified in view of the limited number of units to be produced. Besides, the PRH units to be provided would be exposed to noise nuisances from neighbouring industrial buildings. With the divestment of retail facilities to The Link Management Limited, residents would have no choice but to pay a higher price for the goods and services provided. The Chairman responded that conversion of the Chai Wan Factory Estate was part of the plan to revitalize industrial buildings. A lot of work had to be done to preserve the building on account of its heritage implications.

Social impact studies

25. While supporting the technical studies to assess the suitability and feasibility of developing potential sites for public housing use, Dr Fernando CHEUNG noted with concern that no social impact studies had been conducted to assess the social needs of the community. He considered it necessary that social impact studies should be conducted in the planning process to enable suitable facilities to be provided. There would also be a need for more facilities to meet the welfare and social needs of the community. For example, in planning for public housing at Tung Chung, studies should be made on the needs of the elderly on account of the remote location of the district. As for Fo Tan, more pre-education facilities should be provided in view of the long waiting list for nurseries and special education. PSTH(H) responded that upon identification of potential sites for the development of public housing, the requirements of the sites would need to be worked out. A series of workshops, briefings and consultation exercises would be held with District Councils and the community on the needs and requirements to be met. The need for additional facilities such as schools and welfare facilities would be taken into account. He recognised that the social impact would be an important consideration in housing development. DDH(D&C) said that HA would consult relevant departments on the needs of the community in the development of public housing.

26. Mr Christopher CHUNG enquired about the risks associated with fast-tracking the preliminary planning and design process from three years to one year. He also enquired why such fast-tracking had not been done in the past. He was concerned that despite the many technical studies, the quality of public housing estates such as Lok Hin Terrace was very poor and many of them were plagued with drainage and other building problems. There were other estates where traffic impact assessment was not well conducted. He shared the concern

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about the need to conduct social impact assessments to meet the needs of the community. He also supported that community facilities should be developed together with the public housing projects.

27. PSTH(H) clarified that Lok Hin Terrace referred to by Mr CHUNG was a Private Sector Participation Scheme ("PSPS") development and not a PRH estate. The quality of PSPS developments had not been satisfactory because of the inadequacy of control over their production. With the in-house development of public housing, the standards of PRH had been much improved as seen in the Kai Tak public housing projects. Technical studies were performed to identify the site constraints and the issues to overcome. Local organizations and NGOs were invited to participate in the focus group discussions and workshops to help identify the needs of the community. As community facilities, other than those provided by HA, were funded by relevant bureaux/departments, agreement had to be sought from them to ensure that the necessary funding would be available. DDH(D&C) said that where possible, community facilities would be included in public housing projects.

Flat mix studies

28. Mr KWOK Wai-keung enquired whether all the 16 technical studies could be completed within the first year and whether more time would have to be allowed for the additional specific studies. Noting that most of the studies were related to environmental requirements, geotechnical appraisals and traffic assessments, he questioned why no study was conducted on the flat mix of PRH developments to be provided to meet the varying demands from single-person applicants and larger households. PSTH(H) responded that efforts would be made to maximize the use of the sites to meet the demand. While decisions on the design and number of flats had to be made five years ahead, the flat mix would be reviewed annually. DDH(D&C) added that planning, public consultation and technical studies were conducted in parallel during the first year of the development programme.

Retail viability study

29. Mr Michael TIEN considered that there might be a need to commission a study on the feasibility of compressing the completion schedule of PRH projects. Referring to the retail viability study, he supported that there should be a standardized retail mix for PRH estates to meet the basic needs and affordability of residents. The existing retail facilities in the neighbouring areas would not provide useful reference on the retail mix for future PRH estates as the adjacent goods and services might not be affordable to PRH residents. There was also a need to work out a tenant strategy so that the prices of goods offered for sale in PRH estates would be within the affordability of residents. He suggested that in inviting tenders for retail facilities, consideration should

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not be given to the highest bidder, but to those who had the highest business turnover as such would ensure the price competitiveness of the goods sold. Unless efforts were made to regulate the pricing of goods sold in PRH estates, the request for buying back the divested facilities from The Link Management Limited would continue to be made. He also suggested that instead of providing for street frontage, more shops could be provided along secondary isles by narrowing the shop space. In this way, a greater variety of goods could be displayed.

30. PSTH(H) responded that the Commercial Property Committee of the HA and professional retail advisers were consulted on the retail mix of shopping facilities at PRH estates. Local tenants were also consulted on their preferences and needs. Under HA's policy, rental would not be the key criterion in the letting of retail facilities in PRH estates. This would enable the provision of a much more diverse range of retail facilities in PRH estates.

VI. Any other business

31. There being no other business, the meeting ended at 10:45 am.

Council Business Division 1
Legislative Council Secretariat
27 August 2013