

**立法會**  
**Legislative Council**

LC Paper No. CB(1)1024/14-15  
(These minutes have been seen  
by the Administration and the  
Hong Kong Housing Society)

Ref : CB1/PL/HG/1

**Panel on Housing**

**Minutes of meeting**  
**held on Monday, 4 May 2015, at 2:30 pm**  
**in Conference Room 3 of the Legislative Council Complex**

- Members present** : Hon Alice MAK Mei-kuen, JP (Chairman)  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP (Deputy Chairman)  
Hon LEE Cheuk-yan  
Hon James TO Kun-sun  
Hon LEUNG Yiu-chung  
Hon Frederick FUNG Kin-kee, SBS, JP  
Hon Vincent FANG Kang, SBS, JP  
Hon WONG Kwok-hing, BBS, MH  
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN  
Hon CHAN Hak-kan, JP  
Hon IP Kwok-him, GBS, JP  
Hon Alan LEONG Kah-kit, SC  
Hon LEUNG Kwok-hung  
Hon Albert CHAN Wai-yip  
Hon WU Chi-wai, MH  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon KWOK Wai-keung  
Dr Hon Fernando CHEUNG Chiu-hung  
Ir Dr Hon LO Wai-kwok, BBS, MH, JP  
Hon Tony TSE Wai-chuen, BBS
- Members absent** : Hon Abraham SHEK Lai-him, GBS, JP  
Hon WONG Yuk-man

**Public Officers attending : For item IV**

Mr Eugene FUNG, JP  
Director of Sales of First-hand Residential Properties Authority

Miss Kathleen AU  
Deputy Director of Sales of First-hand Residential Properties Authority

**For item V**

Mrs Vicki KWOK  
Principal Assistant Secretary (Housing) (Private Housing)

Mr WONG Kit-loong  
Chief Executive Officer and Executive Director  
Hong Kong Housing Society

Mr Jacky IP  
Director (Property Management)  
Hong Kong Housing Society

**Clerk in attendance :** Ms Shirley CHAN  
Chief Council Secretary (1)1

**Staff in attendance :** Mr Ken WOO  
Senior Council Secretary (1)5

Ms Mandy LI  
Council Secretary (1)1

Miss Mandy POON  
Legislative Assistant (1)1

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**I. Confirmation of minutes**

(LC Paper No. CB(1)786/14-15 — Minutes of the meeting held on 2 March 2015)

The minutes of the meeting held on 2 March 2015 were confirmed.

**II. Information papers issued since last meeting**

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

(LC Paper No. CB(1)750/14-15(01) — Further submission from 公屋被迫遷戶關注組 regarding the Hong Kong Housing Authority's under-occupation policy in public rental housing estates (Chinese version only)

LC Paper No. CB(1)775/14-15(01) — Administration's response to submissions from 公屋被迫遷戶關注組 regarding the Hong Kong Housing Authority's under-occupation policy in public rental housing estates)

**III. Items for discussion at the next meeting**

(LC Paper No. CB(1)787/14-15(01) — List of follow-up actions

LC Paper No. CB(1)787/14-15(02) — List of outstanding items for discussion)

3. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 1 June 2015, at 2:30 pm –

(a) Head 711 project no. B177TB - Footbridge Link at Sau Ming Road, Kwun Tong; and

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- (b) Head 711 project no. B083TI - Public Transport Interchange at Pak Wan Street, Sham Shui Po.

4. The Chairman advised that the Subsidised Housing Committee ("SHC") of the Hong Kong Housing Authority ("HA") would discuss the implementation details of the Green Form Subsidised Home Ownership Pilot Scheme at its meeting on 6 May 2015. Subject to SHC's decision, the Administration might brief the Panel the relevant details at its meeting to be held on 1 June 2015.

*(Post-meeting note: At the request of the Administration and with the concurrence of the Chairman, the item on "Green Form Subsidised Home Ownership Pilot Scheme" was included in the agenda for the Panel meeting on 1 June 2015. The notice of meeting and the agenda were issued to members vide LC Paper No. CB(1)838/14-15 on 12 May 2015.)*

**IV. The Work of the Sales of First-hand Residential Properties Authority**

(LC Paper No. CB(1)787/14-15(03) — Administration's paper on "The Work of the Sales of First-hand Residential Properties Authority"

LC Paper No. CB(1)787/14-15(04) — Updated background brief on "The work of the Sales of First-hand Residential Properties Authority" prepared by the Legislative Council Secretariat)

5. The Director of Sales of First-hand Residential Properties Authority ("D/SRPA") briefed members on the latest work of the Sales of First-hand Residential Properties Authority ("SRPA") by highlighting the salient points of the discussion paper.

Tackling undesirable trade practices

*Inflating the number of registrations of intent*

6. Mr LEUNG Che-cheung expressed concern about the dissemination of false or misleading information by estate agency companies and vendors of first-hand residential properties. He enquired SRPA's measures to tackle the issue of inflated number of registrations of intent during the sales process. D/SRPA

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replied that SRPA had been reminding prospective purchasers that the register of transactions for a development/phase was the most reliable source of information on the sales situation. Prospective purchasers should not take the number of registrations of intent as an indicator of the sales volume of a development/phase. The Estate Agents Authority ("EAA") had also repeatedly reminded estate agency companies not to make loans to prospective purchasers. EAA was considering requiring estate agents who had submitted registrations of intent for themselves to make appropriate declarations. After EAA had finalized the arrangements, SRPA would issue a practice note to vendors of first-hand residential properties advising them to make public the number of registrations of intent of which estate agents were the registrants as and when the vendors make public the number of registrations of intent they had received for a development/phase.

7. Mr WONG Kwok-hing cast doubt on the effectiveness of the current measure to advise estate agency companies not to make loans to prospective purchasers. He asked if SRPA would consider any measure of greater deterrence. D/SRPA responded that in view of the ever changing sales tactics of vendors of first-hand residential properties, SRPA had to respond quickly by issuing guidelines, practice notes and frequently-asked questions ("FAQs") to the trade. SRPA had also been making inspections to ensure compliance with the requirements of the Residential Properties (First-hand Sales) Ordinance ("the Ordinance"), and some of the inspections were conducted jointly with EAA.

*Withholding information and high pressure tactics*

8. While recognizing the effectiveness of the Ordinance in reversing undesirable trade practices in the sales of first-hand residential properties, Ir Dr LO Wai-kwok expressed concern on some vendors' sales tactics to withhold information on the units available for selection, and to arrange for a large number of estate agents to prompt prospective purchasers to make a purchase decision in a very short time.

9. D/SRPA advised that vendors were required under the Ordinance to make available the sales brochure for a period of at least seven days immediately before the date of sale and make available the price list(s) and the sales arrangement(s) for a period of at least three days immediately before the date of sale. Those requirements enabled prospective purchasers to get hold of the information in relation to a development/phase in advance. To further facilitate prospective purchasers to get to know which of the first-hand residential properties were available for selection on each date of sale and at different times of the day when they were in the sales office, SRPA had issued a practice note advising vendors to display, starting from 1 June 2015, at the sales office on each date of sale a "consumption table" to show clearly the status of

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the first-hand residential properties offered for sale for that day.

*Raising the prices of subsequent batches of properties offered for sale*

10. Mr WONG Kwok-hing noted with concern the sales tactic of some vendors to offer to sell first-hand residential properties by batches with selling prices raised for each subsequent batch. He opined that vendors should be requested to set out the prices of all residential properties in one development/phase so as to allow prospective purchasers to make an informed choice. Mr IP Kwok-him asked if vendors were required to indicate in the price lists the units not offered for sale.

11. D/SRPA explained that as vendors' right to dispose of their properties was protected by the law, the Government could neither force vendors to offer to sell all or not less than a prescribed number of residential properties on or before a specific date, nor prohibit vendors from adjusting the prices of the properties. That said, the Ordinance stipulated that each price list of a development/phase should set out the prices of not less than a specified number of properties. Also, guidelines issued by SRPA required that any change to the prices should be reflected in a revision mode. Vendors were also required to indicate in the document(s) containing the sales arrangements the units to be offered for sale.

The study and recommendations of the Consumer Council

12. Referring to the Consumer Council ("CC")'s study released in November 2014 which unveiled unscrupulous trade practices impacting on the interest of prospective purchasers, such as requiring them to make quick purchase decisions after the announcement of ballot results, withholding from sales a proportion of the units covered in the price lists, releasing property units in small batches for market speculation, and distributing promotional materials which might be inaccurate, Dr Fernando CHEUNG asked whether SRPA would consider CC's recommendations to improve the sales of first-hand residential properties.

13. D/SRPA responded that SRPA had studied the findings and recommendations in CC's report carefully. Some of the observations and recommendations in CC's report had in fact been thoroughly discussed at the Steering Committee set up under the Transport and Housing Bureau during the public consultation exercise, and at the Bills Committee. The Government at that time acknowledged there was wide support for consumer protection in property purchase and had incorporated the suggestions of CC and others in this regard as far as practicable in the law. On operation's front, SRPA had been reacting promptly on sales arrangements that had caused public concern by conducting investigations and at the same time reminding prospective

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purchasers through the media. Its quick response had prompted the vendors concerned to take effective improvement and remedial actions. The Ordinance had struck a balance between enhancing the transparency and fairness in the sales of first-hand residential properties and allowing vendors the flexibility in making business decisions and disposing of their properties lawfully.

14. Dr Fernando CHEUNG was disappointed at SRPA's response. He said that he could not see any good reason for SRPA to refuse to consider CC's recommendations which would take a step further in protecting the interest of prospective purchasers of first-hand residential properties. D/SRPA said that as the Ordinance had only been in full operation for two years, SRPA was still accumulating implementation experience and would continue to monitor the effectiveness of the Ordinance. Mr LEUNG Yiu-chung did not subscribe to SRPA's explanation. He considered it pivotal to review the Ordinance timely to ensure that the Ordinance could be enforced effectively. He requested SRPA to review the Ordinance with due regard to the recommendations of CC.

15. In response to Dr Fernando CHEUNG's suggestion of sending mystery shoppers to inspect the sales arrangements of first-hand residential properties, D/SRPA advised that SRPA had carried out inspections on all of the sales offices and show flats of first-hand residential properties which were opened to the public on or after the implementation of the Ordinance, and some of the inspections were conducted jointly with EAA. The inspections were not made known to the vendors beforehand. In most cases, the SRPA staff members' identity was not revealed. Dr CHEUNG was disappointed at the fact that, during the inspections, SRPA had not been participating in the ballot drawings by submitting registrations of intent, this in his view had undermined the effectiveness of its inspection work. D/SRPA explained that it was not practically possible for SRPA to carry out covert compliance checks to the extent of submitting registration(s) of intent as disguised prospective purchasers, as the submission of registration(s) of intent would require the presentation of cashier orders.

Handling cases of contravention

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16. Mr Tony TSE commended SRPA's work. He sought information on the number of investigations conducted by SRPA since the Ordinance came into force, and among the cases, the number and percentage of referrals made to the Prosecutions Division of the Department of Justice ("DoJ"). Mr LEUNG Che-cheung enquired the progress of investigations made in respect of complaints concerning misrepresentation and/or dissemination of false or misleading information.

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17. Expressing concern on the possible favoritism towards developers and vendors in enforcing the Ordinance, Mr Albert CHAN requested SRPA to provide information on the number and percentage of the 119 complaint cases received since the Ordinance came into force which required further investigations and the names of the vendors concerned.

18. D/SRPA advised that SRPA carried out investigations on suspected contraventions of the Ordinance detected during compliance checks and inspections and those arising from complaints or media enquiries. As at 31 March 2015, SRPA received 119 complaint cases, of which 86 cases were related to the Ordinance and 33 cases were not. Of the 86 complaint cases related to the Ordinance, 73 were not substantiated. SRPA had been referring investigation reports on suspected contraventions to the Prosecutions Division of DoJ for consideration, which included some of the remaining 13 complaint cases. It was inappropriate to disclose the details of investigations at this stage.

19. Mr Albert CHAN was dissatisfied at SRPA's explanation. He held the view that SRPA should act in line with CC's practice of making public the details of the complaint cases including the names of the companies under complaint to alert prospective purchasers. Echoing Mr CHAN's views, the Chairman suggested that SRPA should release the names of the vendors concerned of the 13 cases which had been referred to the Prosecutions Division of DoJ.

20. D/SRPA responded that the suggestion for SRPA to mention the name(s) of vendor(s) who was suspected of having contravened the Ordinance might have legal implications and legal advice on this might be necessary. In fact, for situations which were suspected of having contravened the Ordinance or were undesirable and would possibly affect prospective purchasers' interest seriously, SRPA would, apart from instigating investigations, alert prospective purchasers of the situations concerned through the media in the first instance. As at 31 March 2015, SRPA had issued reminders to the public on 13 occasions, all of which were available in SRPA's website for public inspection. SRPA had mentioned specifically the name(s) of the development(s)/phase(s) concerned in those reminders as and when necessary. D/SRPA considered it more effective to mention the names of the residential developments/phases rather than the names of the vendors concerned in the reminders as developer would normally set up a new company to be the vendor of a development/phase and the public might not recognize the identity of the developer from the name of the vendor.

21. Referring to the Hong Kong Monetary Authority's counter-cyclical measures announced on 27 February 2015 to lower the maximum loan-to-value ratio by 10%, Mr Albert CHAN noted with concern that some prominent

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developers had responded by offering a second or even further mortgages to purchasers of first-hand residential properties. He asked how the Administration would ensure a proper control in this regard. D/SRPA replied that under the Ordinance, vendors were required to state in the price lists the mortgage arrangements, if any, to be offered by the vendor or its designated financing companies to purchasers. The mortgage arrangements arranged by the vendor or its designated financing companies had to comply with the relevant laws and regulations.

22. Mr Alan LEONG noted with concern that there had been no prosecution made since the Ordinance came into force more than two years ago. It appeared to him that SRPA had only reminded the public of the undesirable trade practices associated with the sales arrangements of individual residential developments but little had been done to deter vendors from practicing sales tricks. D/SRPA advised that SRPA had issued guidelines, practice notes and FAQs to the trade. Also, SRPA had been referring investigation reports on suspected contraventions to the Prosecutions Division of DoJ for consideration. DoJ was considering the matter and would revert to SPRA once a final decision was made.

23. Mr IP Kwok-him enquired about the details of the 33 complaint cases which were found outside the scope of the Ordinance and the respective work of EAA and SRPA in regulating the trade. D/SRPA replied that the 33 complaint cases involved various circumstances such as transactions that had been entered into before the effective date of the Ordinance, the sale of second-hand residential properties or non-residential properties, and undesirable trade practices outside the purview of the Ordinance. EAA regulated estate agency practices, whereas SRPA regulated the sales of first-hand residential properties by vendors. For offences relating to misrepresentation and/or dissemination of false or misleading information, the Ordinance covered not only vendors, but any persons.

Cooperating with the trade

24. Mr Tony TSE stressed the importance of communicating with the trade such as developers, estate agency companies and professional bodies in order to promote compliance with the legal requirements and prevent contravention of the Ordinance. D/SRPA said that SRPA had been liaising closely with EAA, The Real Estate Developers Association of Hong Kong and relevant professional bodies to understand their concern. SRPA had also issued guidelines, practice notes and FAQs to help vendors and related parties to understand the requirements of the Ordinance.

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Concluding remarks

25. Summing up, to take a step further in protecting the interest of prospective purchasers, the Chairman urged SRPA to enhance the transparency of its investigation work by making public details of the complaint cases received, as well as the developers and vendors who were commonly found to engage in unscrupulous trade practices.

**V. Role and positioning of the Hong Kong Housing Society in the Government's housing policy**

(LC Paper No. CB(1)787/14-15(05) — Hong Kong Housing Society's paper on "Rent Adjustment of Rental Estates by Hong Kong Housing Society"

LC Paper No. CB(1)787/14-15(06) — Administration's paper on "Role and positioning of the Hong Kong Housing Society in the Government's housing policy"

LC Paper No. CB(1)787/14-15(07) — Background brief on "Role and positioning of the Hong Kong Housing Society in the Government's housing policy" prepared by the Legislative Council Secretariat

LC Paper No. CB(1)737/14-15(01) — Submission from 觀龍樓居民租金關注組 regarding the mechanism for adjusting domestic rents by the Hong Kong Housing Society and providing needy tenants with rental assistance (Chinese version only))

26. Mr WONG Kit-loong, Chief Executive Officer and Executive Director, Hong Kong Housing Society ("HS") briefed members on HS's businesses and management of rental estates by highlighting the salient points of the information paper.

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The work and financial position of HS

27. Noting that HS was allowed under the Hong Kong Housing Society Incorporation Ordinance ("the Ordinance") to acquire properties and buy shares, Mr Christopher CHUNG sought elaboration on HS's investment strategies, and enquired if tenants of its rental estates would be required to shoulder any financial losses resulted from HS's high-risk investments. Mr WONG Kit-loong of HS responded that HS's assets currently totaled at about \$30 billion, of which about \$10 billion being fixed assets (rental estates) and the rest of about \$20 billion was required to finance the six housing projects currently underway. Being a self-financed organization, HS embarked on various non-speculative investments with a view to financing its projects and meeting the surge in construction costs at about 8% per year. HS would continue to adopt prudent financial principles to ensure long-term sustainability.

28. Citing the high price of Harmony Place which cost as much as \$20,000 per foot square as an example, Dr Fernando CHEUNG was concerned that HS kept making huge profits from its lucrative housing projects and deviated from its aim to serve the needs of the Hong Kong community in housing and related services. Pointing out that HS had accumulated an operating surplus of \$5.2 billion and that its revenue was expected to be over \$1 billion per year in the coming years arising from the sales of new housing units, he urged HS to introduce rent assistance for needy tenants of its rental estates, and to enhance transparency of its operations and financial situations by appointing tenant representatives to its governance structure.

29. Mr WONG Kit-loong of HS explained that as there was no restriction on the sale of a Harmony Place flat in the secondary market, the price for Harmony Place was pitched at a level close to the market price to avoid speculation. In view of the surge in construction prices, he was not optimistic about the profit that would be generated from HS's two remaining urban renewal projects in Sham Shui Po as well as the upcoming projects on subsidized sale flats.

30. Mr WU Chi-wai asked if HS would consider bridging the housing ladder by providing more housing choices for people with different affordability such as relaunching the sandwich class housing scheme and Group B rental housing. Mr WONG Kit-loong of HS replied that HS had to support the Government's housing policy and direction.

31. Taking the incident of mosaic tiles peeling off from the external wall of Health Village Phase II as an example, Mr Christopher CHUNG asked how HS would strengthen the monitoring of its housing projects. Mr WONG Kit-loong of HS said that HS had a project monitoring team comprising building professionals to ensure the quality of its projects and compliance with the

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statutory requirements.

32. Expressing concern on the issue of tender rigging for building maintenance contracts, Mr IP Kwok-him asked if HS would consider making available its pool of building professionals to help owners conduct building maintenance works. Given also HS's rich experience in administering building maintenance schemes, he opined that consideration should be given to setting up a database for ease of reference of building owners and owners' corporations.

33. Mr WONG Kit-loong of HS pointed out that HS launched the Building Management and Maintenance Scheme in 2005 and participated in the Operation Building Bright in 2009 to provide financial and technical assistance to owners of private residential buildings in carrying out the relevant works. In line with the Development Bureau's latest strategies on building maintenance, HS's role and involvement in building maintenance had gradually been transferred to the Urban Renewal Authority ("URA"). The Independent Commission Against Corruption and The Hong Kong Institute of Surveyors had joined hands to prepare a database on building maintenance which would be available for public inspection in due course.

Monitoring the work of HS

34. The Chairman was disappointed at the absence of politically-appointed officials at the meeting to take members' questions. Expressing regret on the Administration's paper which stated that the Ordinance did not empower the Government to monitor the operation of HS, she cast doubt on the ways to ensure that HS would operate according to its aim to serve the needs of the Hong Kong community in housing and related services.

35. The Principal Assistant Secretary (Housing) (Private Housing) ("PAS(H)(PH)") responded that HS had all along been a close partner of the Government in providing affordable housing. Throughout the years, HS had been playing an active role in the provision of public rental units at affordable rents for low-income households and the development of subsidized sale projects. The Government had reaffirmed the role of HS as its close partner in the Long Term Housing Strategy promulgated in December 2014.

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36. The Chairman was unconvinced. She requested the Administration to provide information on the ways to ensure that the four sites that had been allocated to HS for public housing developments as announced in the 2013 and 2015 Policy Addresses would be delivered as planned, and whether it would consider reviewing the Ordinance to empower the Government to monitor the operation of HS.

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HS

37. Pointing out that the pay adjustment for HS's management should be transparent, Mr LEUNG Kwok-hung requested HS to provide the following information: the basis for calculating the salary adjustment of HS's Supervisory Board members; and the annual profits made by HS and the rates of salary adjustment of HS's Supervisory Board members since 1990, as well as an explanation on how such figures compared with those of other similar independent and not-for-profit organizations, such as URA and the Hong Kong Trade Development Council.

*(Post-meeting note: HS's response was circulated to members vide LC Paper No. CB(1)876/14-15(01) on 21 May 2015.)*

38. Mr WONG Kit-loong of HS advised that to ensure the competitiveness of HS's pay to retain talents, it had engaged professional human resources consultant companies to conduct annual salary benchmark surveys on organizations comparable to HS, such as URA, the MTR Corporation Limited and large property management companies. All pay adjustment proposals would need to be endorsed by HS's relevant subcommittee.

Mechanism and justifications for rental adjustment

39. Mr WONG Kwok-hing sought HS's explanation on the criteria for rental adjustment for its rental estates, and asked if HS would consider adjusting the rent with reference to the inflation rate.

40. Mr WONG Kit-loong of HS responded that according to the current mechanism, domestic rents would be reviewed every two years. Rental adjustment was made on primary account of the following: rental income must be sufficient to cover the recurrent management expenses, tenancy administration costs, rents and rates; provision for major improvement works, repair and maintenance; and contribution to development sinking fund to cater for future redevelopment. The rate of rental increase would have been double digit if the above factors were satisfied. However, taking into consideration tenants' affordability, an 8% rental increase was made in 2014. This represented an average of 4% increase in each of 2014 and 2015, which was close to the inflation rate.

41. Mr LEUNG Yiu-chung pointed out that the real wage increase of the grassroots was in fact lower than 4% in the previous years. Mr KWOK Wai-keung and Dr Fernando CHEUNG requested HS to disclose the formula for rental adjustment for its rental estates. Mr IP Kwok-him enquired about the weighting to be accorded to tenants' affordability in considering rental adjustment.

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42. Mr WONG Kit-loong of HS remarked that as HS was not vested with the power to require tenants of its rental estates to declare income and assets, it would make reference to, apart from the factors pointed out above, other factors such as inflation rate, salary index and tenants' affordability as a whole in determining rental adjustment. This would enable a more rational rent adjustment to be made and avoid the drawbacks of a fixed formula which would be overly simplistic. HS's rent level for its rental estates was in fact similar to that of HA.

HS

43. The Chairman was dissatisfied at HS's response. She requested HS to provide information on the detailed criteria and formula for determining rental adjustment for its rental estates in order to give members a clearer picture of its calculation.

*(Post-meeting note: HS's response was circulated to members vide LC Paper No. CB(1)876/14-15(01) on 21 May 2015.)*

44. Noting that contribution to the development sinking fund to cater for future redevelopment was a factor for HS's rental adjustment for its rental estates, Mr KWOK Wai-keung considered it unfair to require tenants to shoulder the burden. In view that HS had made a revenue of about \$1.5 billion from its rental income, property sales and investments in the last financial year, he asked whether this could be used to offset the need for the coming rental increase. Mr LEE Cheuk-yan expressed a similar view. He doubted the need for a further rental increase given HS's huge profits made in recent years.

45. Citing the redevelopment project for the Ming Wah Dai Ha which cost as much as \$6 billion as an example, Mr WONG Kit-loong of HS said that substantial financial resources were required for extensive rehabilitation and improvement works on the aged rental estates, and HS was only capable of taking forward immediately redevelopment projects in another four estates based on its current financial asset. While it was never HS's intention to make tenants shoulder its financial burden, a reasonable rent increase was genuinely needed to meet the operating costs of the rental estates which had been on the rise in recent years. It was a fact that a deficit for the accounts of rental housing was expected for the current financial year.

Providing assistance to needy tenants of rental housing

46. Mr WONG Kwok-hing referred to the submission from 觀龍樓居民租金關注組 (LC Paper No. CB(1)818/14-15(01)) which expressed concern on the increased rental burden to be bought by further rent increase to tenants of Kwun Lung Lau. Pointing out that much of the tenants of Kwun Lung Lau were in fact elderly and retirees, he asked if HS would consider introducing rent assistance

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comparable to that of currently provided by HA to relieve the rental burden of the needy tenants. Mr IP Kwok-him and Mr LEE Cheuk-yan expressed similar views. Dr Fernando CHEUNG considered it important for HS to introduce rent assistance as many elderly tenants of HS's rental estates were not recipients of the Comprehensive Social Security Assistance Scheme.

47. Echoing the concerns of tenants of Kwun Lung Lau on future rental increase, Mr KWOK Wai-keung and Mr LEUNG Yiu-chung asked if HS had estimated the financial commitment entailed if rent assistance was to introduce. Mr Christopher CHUNG called on HS to lower the rate of future rent increase to relieve the rental burden especially of elderly tenants.

48. Mr WONG Kit-loong of HS responded that being a not-for-profit organization operating in a financially-independent mode, HS was mindful about the cost implications of any new measures on its rental estates. This explained why HS had not followed HA in introducing measures such as the "Well-off Tenants Policies", the Marking Scheme for Estate Management Enforcement in Public Housing Estate, and the Rent Assistance Scheme. In considering any rent assistance measure, HS would need to take into account its financial viability, and to ensure that there was no duplication with other assistance schemes publicly available. As a matter of fact, various assistance schemes operated by the Government and different organizations were currently in place from which tenants with financial difficulties could seek assistance. HS's six registered social workers based at the rental estates would also follow up on individual cases to help the tenants seek the assistance needed. HS would arrange to meet 觀龍樓居民租金關注組 again on the issue.

49. Mr WU Chi-wai sought elaboration on the details of assistance to be provided by HS's registered social workers. Mr Jacky IP, Director (Property Management), HS advised that the number of HS's registered social workers had been increased to six in four years. Apart from helping tenants with financial difficulties seek financial assistance, they also provided a wide range of support services, such as referrals for those households with elderly and mentally-ill problems.

50. Mr LEUNG Yiu-chung remarked that HS's referral services brought no immediate and effective assistance to tenants with financial difficulties. The Chairman said that she was not aware of the presence of any registered social workers at HS's rental estates. She also requested HS to provide information on the various social/financial assistance schemes currently available which would duplicate HS's rent assistance if it was introduced.

*(Post-meeting note: HS's response was circulated to members vide LC Paper No. CB(1)876/14-15(01) on 21 May 2015.)*

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51. Mr WU Chi-wai opined that HA should consider giving HS support in offering rent assistance in view that the latter was operated in a self-financing mode. Pointing out that some applicants of public rental housing had been offered flats in HS's rental estates, Mr KWOK Wai-keung asked whether HA would consider extending its rent assistance to also needy tenants of HS's rental estates. PAS(H)(PH) replied that HS, being an independent organization, enjoyed the autonomy in respect of its finance and management. It would not be appropriate for HA or the Government to intervene the operation of HS.

52. The Chairman said that due to time constraints, discussion of agenda item VI on "Progress report on addition of lifts and escalators to existing public rental housing estates" would be carried over to the next regular meeting to be held on 1 June 2015.

**VI. Any other business**

53. There being no other business, the meeting ended at 4:45 pm.

Council Business Division 1  
Legislative Council Secretariat  
23 June 2015