立法會 Legislative Council

LC Paper No. CB(1)834/15-16

(These minutes have been seen by the Administration)

Ref : CB1/PL/HG/1

Panel on Housing

Minutes of meeting held on Monday, 7 March 2016, at 2:30 pm in Conference Room 3 of the Legislative Council Complex

Members present	:	Hon Christopher CHUNG Shu-kun, BBS, MH, JP (Chairman) Hon Alice MAK Mei-kuen, BBS, JP (Deputy Chairman) Hon LEE Cheuk-yan Hon James TO Kun-sun Hon LEUNG Yiu-chung Hon Abraham SHEK Lai-him, GBS, JP Hon Tommy CHEUNG Yu-yan, GBS, JP Hon Tommy CHEUNG Yu-yan, GBS, JP Hon Frederick FUNG Kin-kee, SBS, JP Hon Frederick FUNG Kin-kee, SBS, JP Hon WONG Kwok-hing, BBS, MH Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN Hon WONG Kwok-kin, SBS 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, SBS, MH, JP
		Ir Dr Hon LO Wai-kwok, SBS, MH, JP Hon Tony TSE Wai-chuen, BBS
Members absent	:	Hon CHAN Kam-lam, SBS, JP Hon TAM Yiu-chung, GBS, JP Hon CHAN Hak-kan, JP

Hon IP Kwok-him, GBS, JP Hon WONG Yuk-man

Public Officers attending

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

Mr LO Kwok-kong Chief Civil Engineer (Public Works Programme) Housing Department

Mr Alan HUI Chief Architect (3) Housing Department

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Mr CHIU Pbut-kay Chief Architect (4) Housing Department

Mr HO Hin-leung Chief Civil Engineer(1) Housing Department

Mr IP Shing-tim Acting Chief Civil Engineer (2) Housing Department

Mr Ricky LAU Deputy Head of Civil Engineering Office (Port & Land) Civil Engineering and Development Department

Mr WAN Man-leung Principal Project Coordinator / Housing Projects Civil Engineering and Development Department

Mr SOH Chun-kwok District Planning Officer / Sha Tin, Tai Po and North Planning Department

	Mr Joseph KWUN District Lands Officer / North Lands Department
	Agenda Item V
	Mr Stanley YING, JP Permanent Secretary for Transport and Hous (Housing)
	Miss Agnes WONG, JP Deputy Secretary for Transport and Housing (Housing)
	Mr Alfred LEE Assistant Director (Strategic Planning) Housing Department
Clerk in attendance	: Mr Derek LO Chief Council Secretary (1)5
Staff in attendance	: Mr Ken WOO Senior Council Secretary (1)5
	Ms Ada LAU Senior Council Secretary (1)7
	Mr Keith WONG Council Secretary (1)5
	Ms Michelle NIEN Legislative Assistant (1)5

I. Confirmation of minutes

(LC Paper No. CB(1)601/15-16 —Minutes of meeting held on 4 January 2016)

The minutes of the meeting held on 4 January 2016 were confirmed.

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II. Information papers issued since last meeting

2. <u>Members</u> noted that the following papers had been issued since the last meeting –

- LC Paper No. CB(1)536/15-16(01) —Land Registry Statistics for January 2016 provided by the Administration (press release)
- LC Paper No. CB(1)570/15-16(01) —Letter dated 15 February 2016 from Dr Hon KWOK Ka-ki on Link Asset Management Limited's management of its markets in Leung King Estate, Tuen Mun, and Cheung Fat Estate, Tsing Yi (Chinese version only)
- LC Paper No. CB(1)629/15-16(01) —Letter dated 1 March 2016 from Hon Alice MAK Mei-kuen on increasing the number of commercial units and setting up holiday bazaars in public rental housing estates managed by the Hong Kong Housing Authority (Chinese version only)
- LC Paper No. CB(1)652/15-16(01) —Administration's response to the letter dated 15 February 2016 from Dr Hon KWOK Ka-ki (LC Paper No. CB(1)570/15-16(01))

III. Items for discussion at the next meeting

(LC Paper No. CB(1)605/15-16(01) —List of follow-up actions

LC Paper No. CB(1)605/15-16(02) —List of outstanding items for discussion)

3. <u>Members</u> agreed to discuss the following items at the next regular meeting scheduled for Tuesday, 12 April 2016, at 4:30 pm –

- (a) Public Works Programme items on infrastructure, community and transport facilities to support public housing developments at Sham Shui Po, Kwun Tong and Tuen Mun; and
- (b) creation of one supernumerary Chief Engineer post in the Civil Engineering Development Department, and one permanent Chief Estate Surveyor post and one permanent Chief Housing Manager post in the Housing Department.

4. The <u>Chairman</u> referred members to the letter from Mr LEUNG Checheung dated 4 March 2016 which was tabled at the meeting. In his letter, Mr LEUNG expressed concern over the recent cases of burglary in public rental housing ("PRH") estates in Tin Shui Wai which were suspected to be partly caused by the vulnerability of the locks of metal gates of the housing units. The <u>Chairman</u> proposed and <u>members</u> agreed to invite the Administration to the next Panel meeting scheduled for 12 April 2016 to discuss the relevant issue.

(*Post-meeting note*: Mr LEUNG Che-cheung's letter was issued to members vide LC Paper No. CB(1)655/15-16(01) on 9 March 2016. The item "Security issues relating to metal gates of public rental housing units" is included in the agenda for the meeting on 12 April 2016.)

IV. Head 711 project no. B777CL and B783CL – Infrastructure works for development at Lin Cheung Road, Sham Shui Po and Queen's Hill, Fanling

(LC Paper No. CB(1)605/15-16(03) — Administration's paper on Public Works Programme Item No. B777CL and **B783CL** _ Infrastructure works for development at Lin Cheung Po Shui Road. Sham and Queen's Hill, Fanling)

5. With the aid of PowerPoint, the <u>Deputy Director of Housing</u> (<u>Development & Construction</u>) ("DDH(D&C)") briefed members on the Administration's proposals to upgrade two Public Works Programme items to Category A for the construction/improvement of roads and infrastructures to

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support the public housing developments at Lin Cheung Road, Sham Shui Po and Queen's Hill, Fanling.

(*Post-meeting note*: Presentation materials (LC Paper No. CB(1)654/15-16(01)) for the item were issued to members on 8 March 2016 in electronic form.)

Infrastructure works for the developments at Lin Cheung Road

Proposed pedestrian walkway

6. <u>Mr WONG Kwok-hing</u> expressed support for the proposals as set out in the Administration's paper. He requested the Administration to provide covers for the proposed pedestrian walkway to provide pedestrians a comfortable environment. The <u>Deputy Head of Civil Engineering Office (Port & Land)</u> ("DHCEO(P&L)") advised that trees would be planted on both sides of the walkway. The <u>Principal Project Coordinator/Housing Projects, Civil Engineering and Development Department</u> added that the proposed walkway was designed in such a way that covers could be provided when necessary, following the intake of the nearby housing developments.

7. <u>Mr Tony TSE</u> asked whether the section of the proposed walkway adjacent to the proposed retaining wall could be widened to avoid a bottleneck. <u>DHCEO(P&L)</u> replied that the said section, which was about five metres wide, would be adequate to cater for the anticipated pedestrian flow.

Proposed carriageway

8. <u>Mr Tony TSE</u> sought information on the views of the Sham Shui Po District Council ("SSPDC") on the proposed carriageway. <u>DHCEO(P&L)</u> responded that SSPDC's request for connecting the proposed carriageway with the Wholesale Market Street had been referred to the Transport Department for consideration. The proposed connection required further study as it would encroach onto the land of the existing Cheung Sha Wan Wholesale Food Market. <u>Mr Frederick FUNG</u> urged the Administration to consider the proposal.

Infrastructure works for the developments at Queen's Hill

Transport infrastructure

9. <u>Dr Fernando CHEUNG</u> enquired about the transport infrastructure to tie in with the public and private housing developments at the Queen's Hill. He requested for information on the design capacity of Sha Tau Kok Road, which was the main road for the Queen's Hill, and the traffic load expected upon intake of the housing developments at the Queen's Hill, along with the measures to mitigate the possible traffic congestion. <u>DHCEO(P&L)</u> responded that a traffic impact assessment had been conducted for the project proposal. The assessment results revealed that the traffic load of the Lung Yeuk Tau section of Sha Tau Kok Road during rush hours at present was only about 50% of its design capacity. With the planned opening of the Lung Shan Tunnel of the Liantang/Heung Yuen Wai Boundary Control Point in 2018, some traffic would be diverted and the traffic load of this section of road after population intake was expected to be similar to the present level. Improvement works would be carried out at road junctions along this section of road to improve the junction capacity.

Proposed noise barriers

10. <u>Ir Dr LO Wai-kwok</u> indicated support for the proposals. He enquired about the reason for the local community's objection to the proposed provision of noise barriers in connection with the proposed widening of the Lung Ma Road, which connected the housing developments at the Queen's Hill and Sha Tau Kok Road. <u>DHCEO(P&L)</u> explained that the local residents were concerned about the impact on view and ventilation brought by the proposed noise barriers. As a result, a section of noise barriers of about 50 metres to which residents expressed no objection would be retained under the proposal. <u>Ir Dr LO</u> urged the Administration to build in certain flexibility in the widening works of the proposed road so that noise barriers could be installed in the future in case local residents might some day change their minds and consider them necessary.

Design of new public housing developments

Provision of wind corridor

11. <u>Dr Fernando CHEUNG</u> expressed concern about the wall effect resulted from the housing developments along Lin Cheung Road as some of which would be more than 40 floors. Expressing a similar concern, <u>Mr Albert CHAN</u> requested the Administration to provide information on the relevant stipulations in the Buildings Ordinance (Cap. 123) ("the Ordinance") on provision of wind corridor between residential buildings, and the air impact assessments conducted for the public housing developments concerned, including information on the level of suspended particles on different floors during stuffy weather. 12. <u>DDH(D&C)</u> indicated that micro-climate studies had been conducted for all public housing developments to ensure that the public housing design would satisfy the standard on air ventilation and natural lighting stipulated under the Ordinance. In general, a separation of at least 10 metres would be provided between buildings to ensure good ventilation at the built environment.

Flat layout

13. Considering it inappropriate for the main entrance of housing units to face the indoor toilet entrance directly as seen in the new public housing developments completed recently, <u>Mr Albert CHAN</u> called on the Administration to give due consideration to the factor of "fung-shui" in its design of public housing units. The <u>Chairman</u> expressed a similar view.

14. <u>DDH(D&C)</u> responded that the Administration had taken into account the views of various stakeholders in designing the interior space of public housing units. The current design would enable families of different sizes to make the best use of the space available, giving them the greatest flexibility in furnishing their homes. Expressing dissatisfaction with the Administration's response, <u>Mr LEUNG Kwok-hung</u> said that he would request for separate voting on the proposals when they were submitted to the Public Works Subcommittee ("PWSC") for further discussion.

Concluding remarks

15. The <u>Chairman</u> concluded that members supported the submission of the proposals to PWSC.

V. Review of income and asset limits for public rental housing for 2016/17

- (LC Paper No. CB(1)605/15-16(04) —Administration's paper on review of income and asset limits for public rental housing for 2016/17
- LC Paper No. CB(1)605/15-16(05) —Paper on income and asset limits for public rental housing prepared by the Legislative Council Secretariat (updated background brief))

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16. With the aid of PowerPoint, the <u>Assistant Director of Housing (Strategic Planning)</u> briefed members on the mechanism for determining the PRH income and asset limits. He advised that the proposed income and asset limits for 2016-2017 would increase by an average of 8.9% and 2.7% respectively over those for 2015-2016. The outcome of the review would be considered by the Subsidized Housing Committee ("SHC") of the Hong Kong Housing Authority ("HA") on 15 March 2016.

(*Post-meeting note*: Presentation materials (LC Paper No. CB(1)654/15-16(02)) for the item were issued to members on 8 March 2016 in electronic form. The Administration also informed members of the decision of HA's SHC vide LC Paper No. CB(1)719/15-16(01).)

Increase in applicants and lengthening of waiting time

17. Noting the proposed increase of the income and asset limits and the resulting increase in the number of eligible applicants, <u>Mr WONG Kwok-hing</u> was concerned that the average waiting time ("AWT") would be further lengthened. He urged the Administration to increase the supply of PRHs. <u>Mr KWOK Wai-keung</u> expressed similar concerns about the AWT and supply. <u>Mr KWOK</u> commented that the Administration's imposition of the Quota and Points System ("QPS") on non-elderly one-person applicants would prolong the AWT for them. <u>Mr LEE Cheuk-yan</u> shared similar views. They urged the Administration to review the QPS and housing plan for singles. <u>Dr Fernando CHEUNG</u> considered that the present short supply of PRH resulted from land sales to private developers by the Administration over the years.

18. In response, the <u>Permanent Secretary for Transport and Housing (Housing)</u> ("PSTH(H)") reaffirmed the Administration's target of supplying a total of 200 000 PRH units for the ten-year period from 2016-2017 to 2025-2026 to meet the demand. However, there was still a gap between the land available for public housing construction and the supply target. In light of the limited public housing resources, it was the policy of the Government and HA to accord priority to general applicants (i.e. family and elderly one-person applicants) over non-elderly one-person applicants in the allocation of PRH units. Towards this end, HA introduced QPS in 2005 to rationalize and re-prioritize the allocation of PRH to non-elderly one-person applicants.

"Well-off Tenants Policies"

19. <u>Mr WONG Kwok-hing</u> commented that under the Well-off Tenants Policies, some tenants were regarded as "well-off" solely because their - 10 -

offsprings started earning a living after growing up. To enable the youths to continue caring for their aging parents and own their properties, <u>Mr WONG</u> requested the Administration to resurrect the Tenants Purchase Scheme ("TPS") or review the scheme for the well-off tenants to purchase units in other public housing estates.

20. <u>PSTH(H)</u> replied that there were divergent views in the community about the Well-off Tenants Policies, and a prudent approach should be adopted in reviewing the policies. The Administration would not resume the TPS, but PRH tenants in the existing 39 TPS estates could still opt to buy the PRH units in which they resided. He supplemented that PRH tenants could also consider the "Green Form Subsidized Home Ownership Pilot Scheme" which would be launched later.

Mechanism for determining the eligibility for PRH

21. <u>Mr Albert CHAN</u> stated that rentals for private housing were rising at a soaring rate and citizens were paying a growing portion of their income on rentals. He opined that screening the applicants by their income and assets could not reflect the quality of life of the ineligible applicants because they were paying a big portion of their income on rentals. <u>Mr CHAN</u> suggested that the Administration should instead examine the proportion of household income that applicants would have paid for private rentals and the effect on their living standard in determining their eligibility for PRHs. In reply, the <u>Deputy</u> <u>Secretary for Transport and Housing (Housing)</u> ("DSTH(H)") explained that the eligibility of applicants could be assessed more objectively under the existing review mechanism of PRH income and asset limits than using the criteria as suggested by Mr CHAN.

22. <u>Mr KWOK Wai-keung</u> commented that the inclusion of the Consumer Price Index ("CPI(A)") (net of housing cost) in the assessment of income limits could not reflect the cost of living. He considered that the Administration's sale of the shopping malls in PRH estates to Link, which replaced the small shops in these facilities by chain stores and up-market brands, had forced the public to buy their daily necessities at a cost above the CPI(A).

23. In reply, <u>DSTH(H)</u> explained that since 2013, the Administration had made reference to the latest movement in the CPI(A) (excluding housing cost) or the change in the nominal wage index, whichever was higher, as the income factor in adjusting the non-housing cost component in the review. She highlighted that in the review of PRH income limits for 2016-2017, the change in the nominal wage index had been adopted in adjusting the non-housing cost component because it was higher than the change in CPI(A). <u>DSTH(H)</u>

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clarified that simply using household income as a base for estimation, some 146 500 non-owner households living in private housing would fulfill the proposed income limits. However, this estimate should be interpreted with care since some eligible households might have already applied for PRH, while some households meeting the income limits might not meet other eligibility requirements for PRH.

Alternative public housing plans

24. <u>Mr LEUNG Kwok-hung</u> requested that the Administration should consider providing affordable housing units to citizens of various income groups. <u>Mr LEE Cheuk-yan</u> made similar proposals. <u>PSTH(H)</u> replied that the Administration had no plan to extend the provision of public housing to citizens of all income groups, as some of their housing needs could be addressed in the private market.

Availability of PRH for large families

25. <u>Dr Fernando CHEUNG</u> was concerned that applicants of large families (6 persons or above) were not allocated PRH units that were big enough to accommodate all the family members within a reasonable period of time. In some cases, they were allocated two PRH units which were located far apart, leading to problems such as difficulties in caring for family members. <u>Dr CHEUNG</u> pointed out that the problem was aggravated after the Administration ceased to build large PRH units. <u>Dr CHEUNG</u> added that the difficulty for the large families, most of whom non-ethnic Chinese ("NECs"), to be allocated PRH units by the Administration could amount to discrimination against the NECs.

26. <u>PSTH(H)</u> explained that in the planning process of PRH projects, the Administration had taken into account the prevailing demographic situation in Hong Kong, in which the average household size was three persons or below. He considered it a practical approach to meet the housing demand of large families by allocating two PRH units to them. <u>PSTH(H)</u> agreed that it would be viable for the Administration to allocate larger units to the large families if the latter were willing to move to non-urban districts. <u>PSTH(H)</u> emphasized that the race of the applicants was not a factor for consideration in the allocation of PRH units.

Prolonged processing of applications

27. <u>Dr Fernando CHEUNG</u> was concerned about the time pledge of processing PRH applications by the Administration. <u>DSTH(H)</u> explained that

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applicants would normally be invited to attend detailed vetting interview when their PRH applications were estimated to be due for allocation in about nine months to one year's time. However, the time taken for the Administration to allocate units to successful applicants could vary as a result of a number of factors, including the availability of PRH units.

28. <u>Dr Fernando CHEUNG</u> asked whether successful applicants would be required to attend a second vetting procedure in the event they were not allocated any units in more than a year's time. He questioned whether the excessive lead found in drinking water in public housing estates had led to delay in allocation of units to successful applicants. <u>DSTH(H)</u> stated that normally, successful applicants would not be required to attend further vetting procedure unless there were changes to their financial status or family particulars before the intake formalities. <u>PSTH(H)</u> supplemented that while the completion of some new housing projects was delayed recently, there was not any sign that this affected the allocation of PRH units to successful applicants.

VI. Any other business

29. There being no other business, the meeting ended at 4:15 pm.

Council Business Division 1 Legislative Council Secretariat 27 April 2016