

立法會
Legislative Council

LC Paper No. CB(1)1146/15-16

(These minutes have been
seen by the Administration)

Ref : CB1/PL/HG/1

Panel on Housing

**Minutes of meeting
held on Monday, 6 June 2016, at 2:00 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 CHAN Kam-lam, SBS, JP
Hon LEUNG Yiu-chung
Hon TAM Yiu-chung, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN
Hon CHAN Hak-kan, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Albert CHAN Wai-yip
Hon WONG Yuk-man
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
Hon Tony TSE Wai-chuen, BBS

Member attending : Hon TANG Ka-piu, JP

Members absent : Hon Abraham SHEK Lai-him, GBS, JP
Hon WONG Kwok-hing, BBS, MH
Hon WONG Kwok-kin, SBS
Hon IP Kwok-him, GBS, JP

Public Officers attending : Agenda Item V

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

Ms Connie YEUNG
Assistant Director (Estate Management) 3
Housing Department

Mr Oliver CHAN
Chief Manager/Management
(Project Management)
Housing Department

Agenda Item VI

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

Mr Martin TSOI
Assistant Director (Estate Management) 1
Housing Department

Mr Virgil HSU
Chief Manager/Management (Support Services) 2
Housing Department

Agenda Item VII

Mrs Rosa HO
Assistant Director (Housing Subsidies)
Housing Department

Miss WU Long-yee
Chief Housing Manager/Applications
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

Ms Michelle NIEN
Legislative Assistant (1)5

Action

I. Confirmation of minutes

(LC Paper No. CB(1)1002/15-16 —Minutes of meeting held on
12 April 2016)

The minutes of the meeting held on 12 April 2016 were confirmed.

II. Information paper issued since last meeting

2. Members noted that no information paper had been issued since last meeting.

III. Items for discussion at the next meeting

(LC Paper No. CB(1)988/15-16(01) —List of follow-up actions

LC Paper No. CB(1)988/15-16(02) —List of outstanding items for
discussion)

3. Members agreed to discuss the following items at the next regular meeting scheduled for Wednesday, 29 June 2016, at 8:30 am –

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- (a) performance of the environmental targets and initiatives of the Hong Kong Housing Authority in 2015-16; and
- (b) 2016 rent review of public rental housing.

4. Miss Alice MAK suggested that the Panel should discuss the issue of weak water pressure in public rental housing ("PRH") estates at the meeting on 29 June 2016. Members agreed with Miss MAK's proposal.

(Post-meeting note: An item "Water pressure in public rental housing units" was included in the agenda for the Panel meeting on 29 June 2016, which was issued to members vide LC Paper No. CB(1)1018/15-16 on 10 June 2016.)

IV. Matters arising

The suggestion to increase the number of commercial units and set up holiday bazaars in public rental housing estates

(LC Paper No. CB(1)912/15-16(01) —Motions moved at the meeting on 10 May 2016)

Motion

5. The Chairman referred members to the following motion and its amendment which had not been dealt with at the Panel's previous meeting held on 10 May 2016 before the meeting was adjourned –

Motion moved by Miss Alice MAK and seconded by Mr LEUNG Che-cheung –

"本委員會要求房屋署盡快落實在各公共屋邨內增設商鋪和假日墟市，以抗衡領展的壟斷。"

(Translation)

"That this Panel requests the Housing Department to expeditiously increase the number of commercial units and set up holiday bazaars in various public rental housing estates, so as to counteract Link's monopoly."

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Amendment moved by Mr Frederick FUNG and seconded by Dr Fernando CHEUNG –

"本委員會要求房屋署盡快落實在各公共屋邨內增設商鋪和假日墟市，**房屋署並設立專責委員會處理假日墟市事宜**，以抗衡領導的壟斷。"

(Translation)

"That this Panel requests the Housing Department to expeditiously increase the number of commercial units and set up holiday bazaars in various public rental housing estates, *as well as to establish a dedicated committee on matters relating to holiday bazaars*, so as to counteract Link's monopoly."

6. The Chairman put to vote the amendment moved by Mr Frederick FUNG to the motion moved by Miss Alice MAK. Four members voted for the amendment and no member voted against it. The Chairman declared that the amendment was passed.

7. The Chairman then put to vote the motion moved by Miss Alice MAK as amended by Mr Frederick FUNG. Seven members voted for the motion and no members voted against it. The Chairman declared that the motion as amended was carried.

(*Post-meeting note:* The wording of the motion passed was issued to members vide LC Paper No. CB(1)1016/15-16(01) on 8 June 2016 and was provided to the Administration via the letter dated 8 June 2016.)

V. Progress of the Total Maintenance Scheme

(LC Paper No. CB(1)988/15-16(03) —Administration's paper on Progress of the Total Maintenance Scheme

LC Paper No. CB(1)988/15-16(04) —Paper on Total Maintenance Scheme prepared by the Legislative Council Secretariat (updated background brief))

Action

Relevant papers

(LC Paper No. CB(1)346/15-16(01) —Joint letter dated 21 December 2015 from Hon Alice MAK Mei-kuen and Hon KWOK Wai-keung on safety of windows in public rental housing units (Chinese version only)

LC Paper No. CB(1)730/15-16(01) —Administration's response to the joint letter dated 21 December 2015 from Hon Alice MAK Mei-kuen and Hon KWOK Wai-keung on safety of windows in public rental housing units (LC Paper No. CB(1)346/15-16(01))

8. With the aid of PowerPoint, the Assistant Director (Estate Management) 3, Housing Department ("AD(EM)3") briefed members on the progress of the Total Maintenance Scheme ("TMS") implemented by the Hong Kong Housing Authority ("HA").

(Post-meeting note: Presentation materials (LC Paper No. CB(1)1017/15-16(01) for the item were issued to members on 6 June 2016 in electronic form.)

Standard of works

9. Mr WU Chi-wai noted that upon the completion of works, PRH tenants were asked by TMS contractors to sign on documents as an acknowledgement. Mr WU suggested that to ensure the quality of works, the Housing Department ("HD") should task In-flat Inspection Ambassadors to sign those documents. Deputy Director (Estate Management), Housing Department ("DD(EM)") explained that the documents signed by tenants were proof that the works had been conducted so as to facilitate the Administration's release of works payment to the contractors. To monitor the quality of works, HD would conduct random site audits and questionnaire surveys to collect tenants' feedbacks.

10. Mr TAM Yiu-chung enquired about the reason for tenants' dissatisfaction, if any, with the standard of works. DD(EM) explained that there were very few reports on tenants being dissatisfied and those mainly stemmed from the contractors' failure to adhere to the scheduled appointment,

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the need to make different appointments with workers of different specialised trades, as well as contractors' refusal to carry out extra works at tenants' requests.

Scope of works

11. Mr WU Chi-wai suggested that HD should include in-flat wall re-painting works under TMS and enquired whether TMS contractors would facilitate the replacement of ceramic tiles paved by tenants themselves. DD(EM) replied that TMS did not include replacement of installations or fixtures other than those provided by HA upon tenants' in-take of the flat. However, at tenants' requests, TMS contractors would carry out repairs or replacement works at tenants' cost for those damages to HA's fixtures caused by tenants.

12. Mr TAM Yiu-chung enquired about the criteria HD officers adopted in deciding whether to replace or repair broken wooden doors. AD(EM)3 explained that HD officers exercised their professional judgment in determining whether replacement or repair would be more appropriate depending on the circumstances.

13. Dr Fernando CHEUNG stressed the significance of timely communications with affected PRH tenants by HD via local communities in ensuring smooth implementation of TMS. He suggested that TMS should include modifications of the PRH units to cater for tenants with special needs. DD(EM) confirmed that to cater for tenants with special needs, HD had been carrying out conversion works for their units for free including widening of doorway with ramp, conversion of bath tub into shower area, installation of grab rails in the bathroom, raising of the floor of the balcony to level it with the living room, etc. On Dr CHEUNG's request, the Administration would provide figures about modifications made to PRH units to cater for tenants with special needs, and step up publicity efforts in that aspect.

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Building conditions of PRH estates

14. Mr LEUNG Che-cheung pointed out that rain water commonly accumulated on the floor of the corridors of certain PRH estates of Harmony block type design during rainy days due to the substandard floor-leveling works at these corridors. DD(EM) replied that HD would immediately conduct remedial works for such cases upon receiving reports from tenants.

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15. Mr CHAN Kam-lam considered that the Administration should give some thoughts in rejuvenating ageing PRH estates. DD(EM) confirmed that the Administration had been launching projects of different scales in rejuvenating ageing PRH estates which were in satisfactory service conditions.

VI. Marking Scheme for Estate Management Enforcement in Public Housing Estate

(LC Paper No. CB(1)988/15-16(05) —Administration's paper on Marking Scheme for Estate Management Enforcement in Public Housing Estate

LC Paper No. CB(1)988/15-16(06) —Paper on Marking Scheme for Estate Management Enforcement in Public Housing Estates prepared by the Legislative Council Secretariat (updated background brief))

16. With the aid of PowerPoint, the Chief Manager/Management (Support Services)2, Housing Department ("CM/M(SS)2") updated members on the latest situation of Marking Scheme for Estate Enforcement in Public Housing Estate ("the Marking Scheme").

(Post-meeting note: Presentation materials (LC Paper No. CB(1)1017/15-16(02)) for the item were issued to members on 6 June 2016 in electronic form.)

17. Mr LEUNG Che-cheung, Mr LEUNG Kwok-hung and Mr WONG Yuk-man were unconvinced that the Marking Scheme was well received by tenants of PRH estates as claimed by the Administration. Mr LEUNG Che-cheung and Mr LEUNG Kwok-hung pointed out that offenders who committed the misdeeds at PRH estates, in which they were not residing, could not be held liable for their actions by HD. However, as Mr LEUNG Kwok-hung further pointed out, PRH tenants were subjected to double penalty in circumstances when they were both allotted marks for committing the misdeeds and fined by Fixed Penalty Notices. CM/M(SS)2 explained that, as PRH estates were densely populated, the Marking Scheme served as an objective and effective tool in regulating the undesirable behaviours of some

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PRH tenants in order to provide a harmonious living environment to everyone.

Keeping dogs at PRH units

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18. Regarding the misdeed of dog keeping, Dr Fernando CHEUNG urged HD to consider giving PRH tenants a warning in advance, as opposed to the current practice of allotting marks to them without any warning. Dr CHEUNG also requested HD to consider allowing guide dog puppies undergoing training to be kept at PRH units by visually impaired tenants, or tenants who were guide dog trainers, because training in the environment of PRH estates was essential to the guide dogs' service in the future. Mr James TO and Mr CHAN Hak-kan echoed Dr CHUENG's views. Mr CHAN considered that PRH tenants could be required to produce credentials given by Agriculture, Fisheries and Conservation Department ("AFCD") for the guide dog puppies they kept. In this way, the chance for PRH tenants to circumvent the rule was slim.

19. Mr James TO further requested the Administration to grant exemption to tenants who used to keep dogs before they were allocated PRH units. Mr CHAN Hak-kan expressed his concern that when HD enforced the ban too strictly and PRH tenants were forced to give up their dogs, it would aggravate the problem of stray dogs or dogs being sent to the Society for the Prevention of Cruelty to Animals or AFCD, which would have the dogs put down after a certain period of time.

20. Mr LEUNG Che-cheung expressed concern about hygiene issues stemming from the excrement of dogs at PRH estates.

21. DD(EM) confirmed that HD exercised discretion in allowing guide dog puppies under training to be kept at PRH units occupied by visually impaired tenants. However, HD considered it inappropriate to grant such exemption to guide dog trainer residing at PRH estates based on their occupation. DD(EM) stressed that, as PRH estates were densely populated, it was necessary for HD to strike a balance between tenants with diverse needs.

Liability of entire household

22. The Chairman, Mr LEUNG Kwok-hung, Dr Fernando CHEUNG and Mr James TO criticized that the Marking Scheme was unreasonable as it held all members in the household liable for the actions of individual member(s). Mr TO highlighted the fact that under the system, the registered tenant could do nothing to remove the misbehaving family member from the list of tenants

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of that household even if that was what he wished. DD(EM) and CM/M(SS)2 explained that as the tenancy agreement had binding effect on the entire household, the Administration considered it reasonable to apply the Marking Scheme on household basis. In response to members' question on whether PRH residents would be allotted marks for misdeeds committed by them in other PRH estates that they were not residing in, DD(EM) confirmed that marks would only be allotted to PRH residents who committed misdeeds in the PRH estate where they lived.

Effectiveness of the Marking Scheme

23. Expressing reservations about the effectiveness of the Marking Scheme, Mr WU Chi-wai sought elaboration about the criteria applied by HD in enforcing its power of giving warning against three misdeeds, namely, (a) causing noise nuisance, (b) obstructing corridors or stairs with sundry items rendering cleansing difficult and (c) accumulating a large quantity of refuse or waste inside leased premises, creating offensive smell and hygienic nuisance, which were common phenomenon in PRH estates.

24. DD(EM) explained that HD adopted a "reasonable man approach" in handling noise nuisance complaints. After two estate management staff had visited the alleged PRH unit to ascertain that it was the source of noise nuisance, at least one household nearby would be consulted on whether the noise level was unbearable to a reasonable man. HD would issue a warning to the alleged household only if that neighbour also considered the noise level to be intolerable. CM/M(SS)2 pointed out that as far as the misdeed of obstructing the corridors and stairs with sundry items was concerned, the number of cases with marks allotted was less than the number of warnings issued. In these cases, the warning system was efficient in rectifying the unwelcomed behaviour among tenants. In relation to the misdeed of accumulating lots of refuse or waste inside the PRH units, CM/M(SS)2 explained that the households involved were usually some elderly lone tenants who habitually kept refuse inside their PRH units. Being aware that it would take some effort in rectifying such behaviours, HD considered it appropriate to allot marks for a deterrent effect.

25. Mr KWOK Wai-keung enquired about the measures taken by HD in tackling the increasing cases related to water dripping from air-conditioner. In reply, DD(EM) advised that while hundreds of warnings were given for that misdeed, there were few cases in which marks were allotted. He attributed it to the readiness of the tenants to rectify the problem in response to warnings.

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26. Mr WONG Yuk-man considered that HD had not carried out education and publicity work about the Marking Scheme sufficiently and many PRH tenants, especially the newly arrived immigrants, were unaware of how the Scheme operated. CM/M(SS)2 explained that to alert the tenants on the Marking Scheme, HD regularly sent printed messages about the Scheme to each household, posted printed materials and broadcast videos in the lift lobbies of domestic blocks.

Notice-to-quit ("NTQ") cases and appeal system

27. Mr WONG Yuk-man sought details of 13 cases where the households were allotted with 16 points or more but the issuance of NTQs to them was withheld on special grounds. CM/M(SS)2 explained that those cases involved either elderly lone tenants or tenants with proved medical concerns.

28. The Chairman enquired about the appeal mechanism in NTQ cases. Mr KWOK Wai-keung urged the Administration to exercise discretion in handling NTQ cases and to engage the assistance of Social Welfare Department ("SWD") as far as possible to avoid tragedies from happening in some extreme situations. DD(EM) explained that offenders could lodge an appeal against the NTQ to the Appeal Panel (Housing), which would consider each case on an individual basis. Where necessary, HD would liaise with SWD in offering assistance to households concerned.

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29. The Chairman requested the Administration to provide the number of NTQ cases, if any, issued to PRH tenants on the ground that they committed misdeeds under the Marking Scheme in other PRH estates rather than the ones they resided in.

VII. Issues relating to old application forms for public rental housing

(LC Paper No. CB(1)988/15-16(07) —Administration's paper on issues relating to old application forms for public rental housing)

Relevant papers

(LC Paper No. CB(1)753/15-16(01) —Letter dated 5 April 2016 from Hon CHAN Han-pan on issues arising from inadequacy of old application form for public rental housing (Chinese version only)

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LC Paper No. CB(1)880/15-16(01) —Administration's response to the letter dated 5 April 2016 from Hon CHAN Han-pan on issues arising from inadequacy of old application form for public rental housing (LC Paper No. CB(1)753/15-16(01))

30. Assistant Director (Housing Subsidies), Housing Department ("AD(HS)) briefed on matters relating to the old version of the application form for PRH.

Reporting the possession of insurance schemes in application forms

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31. Referring to the failure of PRH applicants in reporting the possession of insurance schemes in the application forms, Miss Alice MAK expressed dissatisfaction that HD officers did not ascertain whether the applicants had provided sufficient information about the insurance schemes they possessed when they submitted application forms but only checked this point during the detailed vetting interview. Miss MAK and Mr LEUNG Yiu-chung suggested that HD should require applicants to provide detailed information about their insurance schemes at the time of submitting applications and verify their eligibility at that stage before placing them on the Waiting List. Mr TAM Yiu-chung suggested that to avoid misunderstanding of applicants, HD should state clearly in its printed materials relating to PRH application the requirement for applicants to report their possession of insurance schemes.

32. AD(HS) said that the Application Guide for Public Rental Housing ("the Guide") had listed "insurance schemes" as an example of assets to be declared by the applicants. It was the applicants' responsibility to declare the assets they owned with reference to the Guide. If it was only revealed at the detailed vetting stage that an applicant had failed to declare insurance scheme(s) in the PRH application form, HD would consider whether at the time of the application, the cash value of the insurance scheme(s) together with the value of the applicant's other assets had exceeded the prescribed asset limits. The application would be cancelled if the total asset value exceeded the asset limits. After including the omitted asset and income, if the family asset and income still did not exceed the prescribed limits at the material time, HD would not disqualify the applicants if they could provide a satisfactory explanation for the omission. Apart from reading the Guide, applicants could also make enquiry with HD by phone, visit the HA's Customer Service Centre, or seek advice from their insurance agents

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33. AD(HS) further explained that when applicants were invited to attend the detailed vetting interview, they would be provided with three documents, namely, Applicant's Declaration ("the Declaration"), Notes on Declaration on Income and Assets for completion of Applicant's Declaration ("the Notes") and Checklist for Documents and Important Notes ("the Checklist"). Since 2004, it had been mentioned clearly in the Checklist that insurance statements were one of the documents that the applicants had to bring along for the interview. "Savings or investment-linked insurance scheme" was also quoted as an example of assets in the Notes. Applicants were required to read carefully the content of these documents and complete the Declaration before attending the detailed vetting interview. At the interview, the HD officer would verbally caution the applicants and their family members to make truthful declarations. In response to Miss Alice MAK, AD(HS) said that the Notes and the Checklist were amended in 2004 whereby it was clearly stated that insurance schemes were assets and that applicants should bring along their insurance statements for detailed vetting interviews. The application form was amended in 2011 to state clearly that insurance schemes were assets.

Applicants' reasons for their omission in declaring insurance schemes

34. Mr TAM Yiu-chung held the view that in most cases it was hard for the applicants to explain to the satisfaction of HD about the reason of their omission as they often did not have a clear idea about what insurance schemes they had, not to mention the value of these schemes. Mr LEUNG Yiu-chung shared the view.

35. Mr WU Chi-wai expressed dissatisfaction that HD staff refused to take into consideration the fact that after including the value of the omitted insurance schemes, the total value of the applicants' assets did not exceed the PRH asset limit. This already reflected that the applicants had no incentive to report falsely and their omission was most probably inadvertent. He urged HD to consider reinstating the cancelled applications of these applicants.

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36. AD(HS) supplemented that, as far as the disqualified cases were concerned, the applicants did not declare their possession of insurance schemes at the detailed vetting interview even after being cautioned by the HD officer, and their omissions were only later unveiled in HD's routine detailed inspections.

Members' suggestions on declaring of insurance schemes

37. Mr KWOK Wai-keung commented that as the mandatory contributions by the applicants and their employers under the Mandatory Provident Fund

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("MPF") were not required to be reported as asset, insurance schemes which were very similar to MPF contributions in the sense that the "value" of their returns was not realizable for years to come before their maturity should also be excluded from reporting in PRH applications. Noting that PRH applicants were mostly low-income earners and their contributions to insurance schemes were meagre, he urged the Administration to review the criteria of asset reporting from the perspective of encouraging citizens to save for retirement. Mr LEE Cheuk-yan pointed out that the cash value of some insurance schemes often changed from year to year. He sought clarification whether HD required applicants to report the voluntary contributions made under MPF as an asset.

38. The Chairman remarked that in contrast to HD's definition, it was commonly held by the public that insurance schemes were not assets. He suggested that HD should clearly explain its definition of assets to applicants before they made the declarations and time should be allowed for the applicants to furnish the necessary documents afterwards. He further pointed out that as applicants could lose all their contributions should they terminate the schemes prematurely, HD should review whether it was appropriate to treat the cash value / dividends of the insurance schemes as the asset value in the applications.

39. AD(HS) clarified that only the mandatory contributions under MPF were exempted from being counted as an asset. Any voluntary contributions of MPF would be counted as asset. She agreed to study members' suggestions.

Number of disqualification cases

40. Miss Alice MAK, Mr WU Chi-wai and Mr LEUNG Yiu-chung reiterated their dissatisfaction with the HD's rigidity in handling PRH applications in that HD cancelled applications regardless of the fact that the total value of the applicants' assets after including the value of the insurance schemes omitted by the applicants did not exceed the asset limits for PRH applications. Mr LEUNG criticized that the Guide was not available for collection in HD offices in housing estates.

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41. Miss Alice MAK enquired about the number of PRH applications cancelled in the past two years due to applicants' omission in declaring insurance schemes they possessed.

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42. AD(HS) replied that due to various reasons, some 2 200 to 4 600 PRH applications were cancelled annually in the past few years after detailed vetting. However, HD did not maintain data on the number of cases cancelled due to omission in declaring insurance schemes.

VIII. Any other business

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

Council Business Division 1
Legislative Council Secretariat
26 July 2016