

立法會
Legislative Council

LC Paper No. CB(1)374/16-17
(These minutes have been seen
by the Administration)

Ref : CB1/PL/HG/1

Panel on Housing

Minutes of meeting
held on Tuesday, 15 November 2016, at 10:45 am
in Conference Room 2 of the Legislative Council Complex

Members present : Hon Alice MAK Mei-kuen, BBS, JP (Chairman)
Hon Andrew WAN Siu-kin (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon CHAN Kin-por, BBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Hon Dennis KWOK Wing-hang

Dr Hon Fernando CHEUNG Chiu-hung
Hon POON Siu-ping, BBS, MH
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon SHIU Ka-fai
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Nathan LAW Kwun-chung
Dr Hon YIU Chung-yim
Dr Hon LAU Siu-lai

Member attending : Hon CHAN Chun-ying

Members absent : Hon WONG Ting-kwong, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Kenneth LEUNG
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Helena WONG Pik-wan
Dr Hon Elizabeth QUAT, JP
Dr Hon CHIANG Lai-wan, JP
Hon Holden CHOW Ho-ding
Hon HUI Chi-fung

- Public Officers attending** : Agenda Item VIII
- Professor Anthony CHEUNG, GBS, JP
Secretary for Transport and Housing
- Mr Stanley YING, JP
Permanent Secretary for Transport and Housing (Housing)
- Ms Ada FUNG, JP
Deputy Director (Development & Construction)
Housing Department
- Ms Portia YIU
Chief Planning Officer (2)
Housing Department
- Clerk in attendance** : Mr Derek LO
Chief Council Secretary (1)5
- Staff in attendance** : Mr Fred PANG
Senior Council Secretary (1)5
- Ms Ada LAU
Senior Council Secretary (1)7
- Ms Michelle NIEN
Legislative Assistant (1)5
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I. Confirmation of minutes

(LC Paper No. CB(1)83/16-17 — Minutes of meeting held on
18 October 2016)

The minutes of the meeting held on 18 October 2016 were confirmed.

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II. Information papers issued since the meeting on 29 June 2016

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

LC Paper Nos. CB(1)1104/15-16(01), CB(1)1157/15-16(01), CB(1)1196/15-16(01), CB(1)23/16-17(01) and CB(1)72/16-17(01)	— Land Registry Statistics for June to October 2016 provided by the Administration (press release)
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LC Paper No. CB(1)79/16-17(01)	— Letter dated 4 November 2016 from Hon KWOK Wai-keung on the rent adjustment mechanism for rental units and rent relief measures of the Hong Kong Housing Society (Chinese version only)
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III. Items for discussion at next meeting

(LC Paper No. CB(1)110/16-17(01)	— List of outstanding items for discussion)
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3. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 5 December 2016, at 2:30 pm –

- (a) three public works programmes for public housing developments at Chung Nga Road and Area 9 in Tai Po, Area 54 in Tung Chung and Area 65C2 in Tseung Kwan O;
- (b) "excessive lead in drinking water in public rental housing estates" incident; and
- (c) further measures to address the overheated residential property market.

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4. The Chairman suggested that for Item Nos. 17 and 18, "Performance of the environmental targets and initiatives of the Hong Kong Housing Authority in 2016-17" and "Progress of the Total Maintenance Scheme" respectively, on the List of outstanding items for discussion (LC Paper No. CB(1)110/16-17(01)), subject to members' agreement, the Administration would provide a paper on each of them in due course for members to consider whether it was necessary to discuss the items in a meeting scheduled for July 2017. The Chairman further advised that, as Items No. 31 "Proposal to increase the total number of flats in Kai Tak Development" and No. 32 "Social work teams and social services facilities in public housing estates" were under the purview of Development Bureau and Social Welfare Department respectively, they would more appropriately be discussed at other Panels. The Chairman recommended and members concurred that these two items be removed from the list.

IV. Proposal for setting up a subcommittee to study issues relating to the impact of the sale of retail, market and carparking facilities by Hong Kong Housing Authority on livelihood and the corresponding measures

(LC Paper No. CB(1)69/16-17(01) — Letter dated 3 November 2016 from the Chairman
Hon Alice MAK Mei-kuen
(Chinese version only))

5. Noting that on 11 November 2016, the House Committee ("HC") agreed to set up a policy subcommittee on the proposal of Mr LEUNG Yiu-chung to study issues relating to shopping centres, markets and car parks in public rental housing and Home Ownership Scheme estates under the HC with the result of drawing lots pending, the Chairman withdrew her proposal on the basis that both proposals were related to similar concerns. The Chairman requested that when the subcommittee in relation to Mr LEUNG's proposal was set up, her letter dated 3 November 2016 containing her proposal (LC Paper No. CB(1)69/16-17(01)) be passed to the subcommittee for reference.

Clerk

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V. Proposal for setting up a subcommittee to follow up the issues related to the Wang Chau development project

(LC Paper No. CB(1)85/16-17(01) — Letter dated 9 November 2016 from Dr Hon YIU Chung-yim (Chinese version only))

6. Members agreed to set up a subcommittee to follow up the issues related to the Wang Chau development project as proposed by Dr YIU Chung-yim.

VI. Proposal for setting up a subcommittee to follow up the public housing development plan at Wang Chau, Yuen Long

(LC Paper No. CB(1)117/16-17(01) — Joint letter dated 11 November 2016 from seven members from the Democratic Party (Chinese version only))

7. Noting that members agreed to set up a subcommittee to follow up the issues related to the Wang Chau development project, Mr Andrew WAN withdrew his proposal.

VII. Proposal for setting up a subcommittee to follow up issues related to inadequate housing and relevant housing policies

(LC Paper No. CB(1)118/16-17(01) — Letter dated 11 November 2016 from Hon Andrew WAN Siu-kin (Chinese version only))

8. Mr Andrew WAN briefed members on his revised proposal for setting up a subcommittee to follow up issues related to inadequate housing and relevant housing policies which was tabled at the meeting. Members agreed to set up the subcommittee.

(Post-meeting note: Mr Andrew WAN's letter dated 15 November 2016 containing the revised proposal was issued to members vide LC Paper No. CB(1)139/16-17(01)) on 16 November 2016.)

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VIII. Public Housing Construction Programme 2016-17 to 2020-21 and challenges and difficulties in taking forward public housing development projects

(LC Paper No. CB(1)110/16-17(02) — Administration's paper on Public Housing Construction Programme 2016-17 to 2020-21

LC Paper No. CB(1)110/16-17(03) — Paper on the Public Housing Construction Programme prepared by the Legislative Council Secretariat (updated background brief)

LC Paper No. CB(1)110/16-17(04) — Administration's paper on challenges and difficulties in taking forward public housing development projects

LC Paper No. CB(1)110/16-17(05) — Paper on challenges and difficulties in taking forward public housing development projects prepared by the Legislative Council Secretariat (background brief)

9. Secretary for Transport and Housing ("STH") gave a speech on the Public Housing Construction Programme ("PHCP") of the Hong Kong Housing Authority ("HA") for the period 2016-2017 to 2020-2021.

10. With the aid of PowerPoint, Deputy Director of Housing (Development & Construction) ("DDH(D&C)") briefed members on the PHCP for the period 2016-2017 to 2020-2021 and the challenges and difficulties faced by the Administration in the process.

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(*Post-meeting note: STH's speaking note was issued to members vide LC Paper No. CB(1)139/16-17(02) on 16 November 2016. Presentation materials for the item were issued to members vide LC Paper Nos. CB(1)140/16-17(01) and CB(1)140/16-17 (02) on 15 November 2016 in electronic form.*)

(*At 12:04 pm, the Chairman announced that the meeting would be extended for 15 minutes to 1:00 pm to allow more time for discussion.*)

11. The Chairman declared that she was a Non-executive Director of Urban Renewal Authority ("URA"). Mr CHEUNG Kwok-kwan declared that he was a member of HA and Long Term Housing Strategy ("LTHS") Steering Committee.

Progress of public housing production

12. Mr KWOK Wai-keung, Mr LEUNG Yiu-chung, Mr LUK Chung-hung, Mr POON Siu-ping, Mr Andrew WAN, Mr CHEUNG Kwok-kwan, Mr Wilson OR, Mr WU Chi-wai, Mr CHAN Han-pan and Mr LEUNG Kwok-hung expressed grave concerns about whether HA could meet its supply target in public housing within the ten-year period in view of the unsatisfactory progress made so far. These members enquired about the measures that the Administration would take to expedite public housing construction.

13. STH said that increasing the land supply for public housing was the key to solving the housing problem. Compared with the previous years, the supply of public housing had been steadily on the rise. The Administration would provide members with information on the updated 10-year supply target and the land identified for meeting the target in the annual progress report on LTHS due to be released in December 2016. Permanent Secretary for Transport and Housing (Housing) ("PSTH(H)") mentioned that spade-ready sites had basically been used up. HA would strive to secure more suitable sites in accordance with the established mechanism and adopt methods that could fast-track the construction process as far as practicable.

14. Mr LUK Chung-hung was concerned about the reduction in the size of the newly constructed public rental housing ("PRH") units. PSTH(H) advised that all public housing units were built and allocated in accordance with the prevailing allocation standard.

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15. The Chairman noted that contrary to the impression that many PRH applicants had about distribution of new PRH units, more PRH units were now being built in urban and extended urban areas than in the New Territories. The Chairman called on the Administration to disclose such information in greater detail to the PRH applicants, who otherwise might wrongly believe that their waiting time would be shortened by applying for PRH units in the New Territories. STH noted the Chairman's concerns and undertook to follow up.

Supply of spade-ready sites

16. Dr KWOK Ka-ki and Mr WU Chi-wai enquired whether it was feasible for Transport and Housing Bureau ("THB") to obtain more land lots from Development Bureau ("DB") for public housing developments. Mr Jeremy TAM suggested the Administration remove the illegal structures on idle government land and start the preparation work to make them spade-ready. Mr CHAN Han-pan suggested that the land occupied by vacant civil servant quarters should be released to increase spade-ready sites. STH explained that management of land resources in Hong Kong, including the land occupied by Government quarters, was under the purview of DB, which had to balance the needs for land for policy purposes of all bureaux. The Administration had been sparing no efforts in securing suitable sites for housing development.

17. Mr CHU Hoi-dick, Mr SHIU Ka-chun and the Chairman enquired whether it was practicable for the Administration to obtain spade-ready sites currently held by URA for public housing projects. Mr CHU sought the Administration to confirm whether there was Government policy on the proportion of residential land area occupied by public and private housing respectively. Mr CHU pointed out that private housing occupied more than 60% of residential land in Tai Po.

18. STH advised that as URA was an independent statutory body with its own specific mission, THB was not in a position to intervene the usage of the land resources of URA. Even if URA surrendered a piece of its land, it was not for THB alone to decide the usage of that land. He clarified that the 60:40 split between public and private housing supply referred to the total number of newly built housing units across the territory of Hong Kong.

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Planning issues

19. Ms YUNG Hoi-yan asked the Administration to elaborate about the scale of relaxation of development restrictions in its bid to expedite the delivery of public housing development projects and whether the relaxation was also applicable to private residential development projects. DDH(D&C) explained that where planning conditions allowed, the Administration would apply to the Town Planning Board ("TPB") to increase the plot ratio or building height, or both, to increase public housing production. It was noted that private parties could also apply for such relaxation for private property development projects.

20. In response to Mr CHAN Chi-chuen, DDH(D&C) advised that about 350 units under the Tai Wo Hau Road Phase 2 project were affected as a result of the judicial review proceedings.

Public consultations

21. Mr LUK Chung-hung, Mr Jeremy TAM, Mr SHIU Ka-chun, Mr CHAN Han-pan, Mr HO Kai-ming and the Chairman remarked that to secure the support of local community, the Administration should consider the provision of ancillary facilities such as wet markets, transport facilities, public carpark spaces, social work services, public out-patient clinics, noise pollution mitigating measures and elderly caring services in taking forward a public housing development. Mr HO Kai-ming criticized the Administration for not reserving sufficient space at the proposed sites of public housing projects for subsequent provision of ancillary facilities at the planning stage. The Chairman stressed that the failure of the Administration to plan in advance for the provision of ancillary facilities in public housing projects had rendered local communities very resistant to the project implementation. The Chairman urged the Administration to roll out comprehensive plans including the provision of ancillary facilities to the local community at the consultation stage.

22. In relation to the Near Lai King Hill Road project, Mr CHAN Han-pan voiced the concerns of the local community about the capacity of transport facilities and Mr CHAN Chi-chuen enquired how the local consultations impacted on the delivery of the project.

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23. STH remarked that the Administration provided ancillary facilities in accordance with the requirements set out in the Hong Kong Planning Standards and Guidelines and aimed to make these services and facilities available as soon as tenants moved into the estates. STH noted the public's concerns about the capacity of transport facilities in the implementation of public housing developments and stated that traffic impact assessments would be conducted for such development proposals. It had been the Government's policy to promote "ageing-in-place", and "universal design" had been adopted in the design of public housing projects. PSTH(H) explained that it might take a longer lead time to deliver a public housing project if such projects had to include community facilities that had been demanded by the local community. DDH(D&C) said that the Administration had to consider the demands of the local community on a case-by-case basis.

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24. Mr Wilson OR expressed his concerns on the efforts of the Administration in addressing the demands raised by local communities in consultations. Mr OR sought information on the local issues or demands, in detail, raised during public consultations on public housing development projects and for those issues or demands which the Administration could not address, the reasons for its failure to do so as well as the amount of time in cross-bureau/department liaison in addressing these issues or demands. In particular, he requested the Administration to provide the plan and timetable for the provision of a public specialist out-patient clinic in Yau Tong district.

25. Mr Nathan LAW enquired about the practice and procedures involved in informal consultations. He expressed concerns on the biased stance of parties approached by the Administration in such exercises. DDH(D&C) advised that District Officers would be involved in drawing up the list of participants of the informal consultation meetings. Officers of the Housing Department including Assistant Directors, Chief Architects, Chief Planning Officers, and occasionally the Deputy Director, would attend the consultation meetings. PSTH(H) supplemented that normally, targets of such informal consultations would include members of the related District Councils or Rural Committees. After informal consultations, the Administration would conduct formal consultations which would be open to members of the public to express their views on the development projects.

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Provisioning or reprovisioning of facilities

26. Ms YUNG Hoi-yan enquired about the reason that it would take the Administration nine to 15 years to complete the preparation work to make the sites ready for housing development at Ma On Shan Road and Anderson Road despite the fact that repossession of land was not required. DDH(D&C) explained that in addition to relocating facilities for temporary uses, the site at Ma On Shan Road required diversion works for underground public utility facilities including major water and gas pipes as well as electric cables running from the New Territories to Kowloon, which would take several years to complete before the site could be developed. PSTH(H) and DDH(D&C) assured members that the Administration had striven to shorten the lead time as far as practicable.

Labour shortage

27. Mr POON Siu-ping and Ms YUNG Hoi-yan were concerned about the impact of labour shortage on the progress of the PHCP. Mr POON opined that labour shortage had contributed to the slow progress of the PHCP when the Administration was also taking forward many public works programmes. STH acknowledged that the shortage of labour was one of the factors faced, but emphasized it was equally important for the Administration to take forward significant public works programmes. The progress of construction could be expedited by adopting advanced, less labour intensive building technology and pre-cast building components.

Water inspection requirements

28. Mr POON Siu-ping and Mr CHEUNG Kwok-kwan enquired about how the new water inspection requirements of Water Supplies Department had impacted on the progress of the public housing projects. In reply, DDH(D&C) anticipated that the new inspection requirements would unlikely cause further delay to public housing projects to be completed in the coming years.

Average waiting time for public rental housing

29. Ms YUNG Hoi-yan was concerned that the average waiting time ("AWT") for PRH applicants would be lengthened further in view of the current progress of PHCP. Mr POON Siu-ping and Mr SHIU Ka-chun raised similar concerns. Mr LUK Chung-hung commented that the AWT of 4.5 years for general PRH applicants as proclaimed by HA could not reflect the

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reality that many applicants had been waiting for a much longer period without offers. However, the Administration failed to provide information in that aspect. Mr LUK urged the Administration to review the criteria for compiling the figures about AWT. Mr CHEUNG Kwok-kwan pointed out that the AWT for PRH units at old districts was much more lengthy than that of other districts. He enquired about the anticipated AWT in the coming 5 years.

30. PSTH(H) said that HA regularly published data on the AWT for general applicants who were housed in the past 12 months. STH advised that the latest information about AWT would also be provided in the annual progress report of LTHS to be released in December 2016.

Public housing development proposal at San Hing Road, Tuen Mun

31. Dr YIU Chung-yim commended the efforts of DDH(D&C) and the Chief Planning Officer (2) of the Housing Department in responding to concerns on heritage and ecological issues in the course of implementing public housing projects. He requested the Administration to give more details about its plan to take forward a public housing development at San Hing Road in Tuen Mun ("the San Hing Road project"), which was hindered as a result of rezoning applications to the TPB by owners of private land within the site earmarked by the Administration for public housing development. Dr YIU stated that the consultant employed by the Administration in the San Hing Road project had allegedly shared confidential information with the landowners involved. Dr YIU likened the San Hing Road project to the Wang Chau development project and expressed concerns whether other public housing projects were affected by similar actions of private landowners. Mr WU Chi-wai suggested that on the ground of public interest, the Administration should consider invoking the power under Lands Resumption Ordinance (Cap. 124) to repossess the privately-owned land lots at the San Hing Road site so as to take forward the project.

32. Referring Dr YIU to the Administration's response to media enquiries about the San Hing Road project on 29 September 2016, PSTH(H) said that the Administration was studying ways to adjust the plan to build public housing at the San Hing Road site and nearby areas, since the original proposal had not gained the support of the district council. STH indicated that the Administration aimed to develop the San Hing Road site into a public housing project with approximately 7 000 units.

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Public housing planned for Hung Shui Kiu

33. Mr WU Chi-wai said that while the Hung Shui Kiu New Development Area ("HSK NDA") project occupied a large area of land, the split between public and private housing was only 51:49, as opposed to the policy under LTHS. The Chairman added that The Hong Kong Federation of Trade Unions ("HKFTU") disagreed with the Administration's inclusion of the number of public housing units in Tin Shui Wai in its calculation of the number of public housing units in HSK NDA when claiming that the split between public and private housing of HSK NDA at the ratio of 60:40. She urged the Administration to increase the plot ratio in HSK NDA so as to increase the number of PRH units that could be built at the site of HSK NDA.

Admin

34. STH clarified that the 60:40 split between public and private housing supply referred to the overall situation in Hong Kong, not to any particular district. The Chairman requested the Administration to furnish further information on the proportion of public housing units to private housing units and ancillary public facilities under planning for HSK NDA when THB took up the project

Redevelopment of aged public rental housing estates

35. Mr LEUNG Yiu-chung, Mr Andrew WAN and Mr Jeremy TAM urged the Administration to consider redevelopment of aged PRH estates. Mr LEUNG opined that the plot ratio of the site of aged PRH estates could be increased after redevelopment. Mr LEUNG questioned that the Administration had made little progress in the redevelopment programme notwithstanding it had identified 22 aged PRH estates for redevelopment for quite some time.

36. In response, STH said that in the short term, redevelopment would reduce the number of PRH units available for allocation to applicants because the HA had to utilize PRH units to accommodate tenants of the affected PRH estates. He advised that the HA had to consider a host of factors prudently before taking forward any redevelopment project. STH cited Wah Fu Estate and Pak Tin Estate as examples to illustrate that the HA did embark on the redevelopment of aged PRH estates after conducting the required studies. STH added that the prudent approach of HA in redevelopment was noted by the Public Accounts Committee in 2014.

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Tenancy control and other relief measures

37. Mr CHAN Han-pan criticized the Administration for lack of relief measures for the grassroots. Mr KWOK Wai-keung and Mr HO Kai-ming stated the view of HKFTU that the Administration should reinstate rent control. Mr KWOK and Mr SHIU Ka-chun demanded the Administration to provide rent subsidy to the PRH applicants. Mr Andrew WAN suggested that Community Care Fund ("CCF") should provide rent subsidy to the people previously benefited by the "One-off living subsidy for low-income households not living in public housing and not receiving CSSA". Mr WAN also suggested that the Administration should provide temporary housing to PRH applicants on the waiting list.

38. STH emphasized that rent control would precipitate a decrease in the actual supply of rental units while rent subsidy by the Administration would push up rental level in the market. As neither of these means could improve the living conditions of the people affected, the Administration would not consider reinstating rent control or providing rent subsidy. Regarding the suggestion to use CCF for providing rent subsidy, STH said that the policy bureau responsible for CCF would be in a better position to provide comments on the suggestion. On providing temporary housing to PRH applicants, STH pointed out that where land supply remains in shortage, this would further tighten the supply of land for housing projects.

39. Dr KWOK Ka-ki suggested that the Administration should impose restrictions on non-Hong Kong residents in buying residential properties. Mr SHIU Ka-chun suggested that the Administration should consider reducing land sales.

40. STH advised that less than two percent of residential property transactions involved non-local individual and non-local company buyers. Barring a certain group of people from purchasing residential properties would be an extreme measure that would be at variance with the open economy of Hong Kong. The Administration was inclined to increase the transaction costs through imposing stamp duty measures so as to manage the demand and stabilize the property market. The Administration would closely monitor the market situation. Scaling back land sales would adversely affect potential private residential property buyers. As it was crucial to balance the different housing needs of all in the society, the Administration considered it appropriate to maintain the 60:40 split between new public and private housing supply.

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IX. Any other business

41. There being no other business, the meeting ended at 12:50 pm.

Council Business Division 1
Legislative Council Secretariat
29 December 2016