

立法會
Legislative Council

LC Paper No. CB(1)1341/17-18

(These minutes have been
seen by the Administration)

Ref : CB1/PL/HG/1

Panel on Housing

Minutes of meeting
held on Tuesday, 10 April 2018, at 4:30 pm
in Conference Room 3 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
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon CHAN Kin-por, GBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon WU Chi-wai, MH
Hon MA Fung-kwok, SBS, JP
Hon CHAN Chi-chuen
Hon LEUNG Che-cheung, SBS, MH, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Dr Hon Fernando CHEUNG Chiu-hung
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHU Hoi-dick
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon SHIU Ka-fai
Hon SHIU Ka-chun

Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan
Hon CHEUNG Kwok-kwan, JP
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon AU Nok-hin
Hon Vincent CHENG Wing-shun, MH
Hon Tony TSE Wai-chuen, BBS

Member attending : Hon CHAN Han-pan, JP

Member absent : Hon Tanya CHAN

Public Officers attending : Agenda Item V

Ms Connie YEUNG
Deputy Director (Development & Construction)
Housing Department

Mr Kenneth LEUNG
Chief Civil Engineer (Public Works Programme)
Housing Department

Mrs Iris CHAN
Chief Architect (6)
Housing Department

Ms Brenda AU
Head of Energizing Kowloon East Office
Development Bureau

Mrs Doris FOK
Assistant Director (Leisure Services)1
Leisure and Cultural Services Department

Agenda Item VI

Mr Stanley YING, JP
Permanent Secretary for Transport and Housing (Housing)

Ms Esther LEUNG, JP
Deputy Secretary for Transport and Housing (Housing)

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

Agenda Item VII

Mr Philip CHAN, JP
Director of Sales of First-hand Residential Properties
Authority

Ms Mildred CHEUNG
Deputy Director of Sales of First-hand Residential
Properties Authority

Clerk in attendance : Mr Derek LO
Chief Council Secretary (1)5

Staff in attendance : Mr Fred PANG
Senior Council Secretary (1)5

Ms Michelle NIEN
Legislative Assistant (1)5

Action

I. Confirmation of minutes

(LC Paper No. CB(1)746/17-18 — Minutes of policy briefing held
on 30 October 2017)

The minutes of the policy briefing held on 30 October 2017 were confirmed.

Action

II. Information papers issued since last meeting

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

LC Paper No. CB(1)667/17-18(01) — Land Registry Statistics for February 2018 provided by the Administration (press release)

III. Items for discussion at the next meeting

(LC Paper No. CB(1)749/17-18(01) — List of follow-up actions

LC Paper No. CB(1)749/17-18(02) — List of outstanding items for discussion)

3. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 7 May 2018, at 2:30 pm –

- (a) Marking Scheme for Estate Management Enforcement in Public Housing Estates of the Hong Kong Housing Authority ("HA"); and
- (b) Quota and Points System of HA.

(Post-meeting note: The notice of meeting and agenda were issued to members vide LC Paper No. CB(1)789/17-18 on 13 April 2018.)

IV. Matter arising from the meeting on 5 March 2018

Review of the Green Form Subsidised Home Ownership Scheme Pilot Project

(LC Paper No. CB(1)669/17-18(01) — Wording of the motion moved by Hon LUK Chung-hung (Chinese version only))

4. The Chairman advised that at the meeting on 5 March 2018, Mr LUK Chung-hung had moved a motion when the Panel was discussing the agenda item on "Review of the Green Form Subsidised Home Ownership Scheme Pilot Project", and the Panel had agreed that the motion would be put to vote at this meeting.

Action

Motion moved by Mr LUK Chung-hung and seconded by Mr HO Kai-ming –

"本委員會要求房委會全面檢討資助出售房屋售價，與市場脫鉤，以建築成本出售和市民合理承擔力為依歸。"

(Translation)

"This Panel requests the Hong Kong Housing Authority to comprehensively review the selling prices of subsidized sale housing, which should be delinked from market prices as well as set on the basis of construction costs and reasonable affordability of the public."

5. The Chairman put to vote the motion. The majority of members present supported the motion. The Chairman declared that the motion was carried.

(Post-meeting note: The wording of the motion passed was issued to members vide LC Paper No. CB(1)787/17-18(01) on 11 April 2018 and was provided to the Administration via the letter dated 11 April 2018.)

V. Head 711 project no. B446RO - District open space adjoining San Po Kong public housing development

(LC Paper No. CB(1)749/17-18(03) — Administration's paper on Public Works Programme Item No. B446RO – District open space adjoining San Po Kong public housing development (Revised Proposal)

LC Paper No. CB(1)238/17-18(01) — Submission from a member of the public regarding Public Works Programme item no. B446RO District open space adjoining San Po Kong public housing development (Chinese version only) (Restricted to members only))

Action

6. With the aid of PowerPoint, Deputy Director of Housing (Development and Construction) ("DDH(D&C)") briefed members on the Administration's revised proposal to upgrade Public Works Programme item no. B446RO to Category A to provide a district open space ("DOS") adjoining the San Po Kong public housing development.

(Post-meeting note: Presentation materials for the item were issued to members vide LC Paper No. CB(1)786/17-18(01) on 11 April 2018 in electronic form.)

7. The Chairman reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects. She further drew members' attention to Rule 84 of the RoP on voting in case of direct pecuniary interest.

District Open Space

8. The Panel noted that the Administration had consulted members on B446RO at the meeting on 11 July 2017, and the revised proposal covered the first phase of the originally proposed DOS, i.e. Sze Mei Street DOS, whereas its remaining portion would be developed in the second phase subject to the results of the review led by the Energizing Kowloon East Office ("EKEO"). Mr AU Nok-hin enquired how the Administration would take into account the outcomes of EKEO's review when working out the second phase development proposal. Ir Dr LO Wai-kwok enquired about the timetable to complete the review.

9. Head of Energizing Kowloon East Office, Development Bureau ("Head/EKEO, DEVB") replied that the Policy Agenda promulgated in October 2017 announced extending the Energizing Kowloon East ("EKE") initiative to San Po Kong. EKEO considered it appropriate to develop Sze Mei Street DOS in two phases. After consulting the Wong Tai Sin District Council about the extension of the EKE initiative to San Po Kong as well as the proposed phased development approach, EKEO commissioned in February 2018 a study to examine the pedestrian environment and traffic improvement opportunities in the San Po Kong Business Area, including proposing suitable measures to cope with the traffic impact of the second phase development. The Administration targeted to make a submission to LegCo on the second phase development in about three years. Ir Dr LO Wai-kwok said that the proposed underground public vehicle park and the re-provisioning of the Kai

Action

Tak East Sports Centre in the second phase development were important in meeting the local residents' demand. He was concerned about the long lead time to implement the second phase development, though acknowledging that there was not much scope to expedite the project under the prevailing procedures.

Car parking facilities

10. Mr Wilson OR enquired about the reason for not providing such car parking facilities in the original project and the measures, if any, to address the need for more car parking facilities in San Po Kong. DDH(D&C) said that the car parking situation in San Po Kong was holistically reviewed in late 2017 under a study by EKEO. The Administration would continue to listen to the local community's views about the provision of car parking facilities.

11. Mr Tony TSE opined that the Administration should consider providing more car parking facilities to meet the local residents' need having regard to the relevant assessment on the traffic impact generated by the provision of such facilities. Mr Wilson OR asked about the details of providing the underground public vehicle park under the second phase development, and the factors for considering the number of parking spaces to be provided. Head/EKEO, DEVB replied that the proposed phased development of Sze Mei Street DOS had taken into account the suggestion of making effective use of the site to address the parking demand in San Po Kong. The EKEO's study included a traffic impact assessment on the provision of an underground public vehicle park under the second phase development, and the Architectural Services Department had commenced a technical feasibility study on the second phase development.

Sports facilities

12. Mr AU Nok-hin asked about the reason for taking out the original proposal for the re-provisioning of a 7-a-side hard-surfaced soccer pitch and four basketball courts and whether there was any future plan to demolish and re-provide these facilities, as well as to re-provision the multi-purpose arena, the two multi-purpose squash courts and the sport climbing room facilities in the Kai Tak East Sports Centre. Head/EKEO, DEVB replied that the Administration had tentatively planned to re-provision the 7-a-side hard-surfaced soccer pitch, the four basketball courts, the facilities in the Kai Tak East Sports Centre in the second phase development, and would also consider providing some other facilities in the new sports centre.

Action

Facilities under the proposed project

13. Mr LEUNG Che-cheung asked about the facilities to be provided in the areas near King Tai Court, which were highlighted in yellow on the site plan. DDH(D&C) replied that the areas were pedestrian walkways with seating benches.

Children's play area

14. Mr CHU Hoi-dick enquired whether the Administration would directly consult the views of local residents on the play equipment/facilities to be provided in the proposed children's play area. Mr SHIU Ka-chun opined that the Administration should allow children's participation in the design of the play area and pay due regard to their views. DDH(D&C) replied that the Administration would consider the suggestions of Mr CHU and Mr SHIU.

15. Mr CHU Hoi-dick enquired whether the Leisure and Cultural Services Department ("LCSD") would provide inclusive play equipment/facilities to cater for the needs of children with disabilities. DDH(D&C) replied that the Administration would provide play equipment/facilities under the proposed project to cater for the needs of children with disabilities. Assistant Director (Leisure Services)1, Leisure and Cultural Services Department ("AD(LS)1, LCSD") advised that the Administration had provided inclusive play space in some LCSD-managed public pleasure grounds, such as the inclusive children's playground under construction in Tuen Mun Park, and would consider the provision of inclusive play equipment/facilities under the proposed project.

Pet corner

16. Mr CHAN Chi-chuen enquired about the difference in the total area of the pet corner under the original and the revised proposals, and the facilities to be provided in it. He further enquired whether apart from the pet corner, pets were also allowed in other parts of the DOS under the proposed project. Chief Architect (6), Housing Department ("CA(6), HD") replied that the total area of the proposed pet corner was 80 square metres under the original proposal and 130 square metres under the revised proposal. Pet facilities such as toilets and drinking fountains would be provided in the pet corner. AD(LS)1, LCSD advised that having regard to members' views that the pet corner should be located at a more convenient location, the Administration proposed to provide the pet corner at a location close to residential developments. Pet owners and their pets might directly access the pet corner through the entrance near Tsat Po Street or near the new pedestrian walkway connecting Sze Mei Street and

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Prince Edward Road East. The Administration would consider providing more pet accesses to the pet corner, if necessary. In response to Mr CHAN's enquiry on whether waste would be delivered through the pet corner to the proposed nearby garden waste chamber, CA(6), HD advised that the waste chamber would not be too obtrusive and the Administration would ensure that the waste delivery would avoid passing through the pet corner.

Accessibility and connectivity

17. Mr LEUNG Che-cheung noted that the proposed project site comprised two plots of land separated by a road, and asked whether for the convenience of the DOS users, pedestrian footbridges would be provided for enhancing the connectivity between them. DDH(D&C) replied that there would be a pedestrian subway to facilitate access between the two parts of the proposed project site.

18. In view that there were cycle tracks in the Kai Tak Development ("KTD") and there was a footbridge linking San Po Kong to KTD, Mr HO Kai-ming enquired whether the Administration would provide any cycle tracks to link up the DOS under the proposed project with the Avenue Park at KTD. DDH(D&C) and AD(LS)1, LCSD replied that given the limited space available in the subject DOS, the Administration did not have a plan to provide any cycle tracks under the proposed project. DDH(D&C) said that the KTD's cycle track network would enhance the connectivity within KTD. There was no information at hand on any plans to extend it to other districts, including San Po Kong. Mr HO said that as there would be a cycle track network connecting Cha Kwo Ling to To Kwa Wan and the KTD's cycle tracks should be part of the network, the Administration should extend the network to San Po Kong. DDH(D&C) replied that since there was no cycle track network currently at San Po Kong, the Administration would not provide cycle track in this project.

19. Mr Andrew WAN enquired whether it was feasible to add a traffic lane to Sze Mei Street to cope with possible increase in traffic flow in future. DDH(D&C) replied that while the Administration currently did not have such a plan, it might be technically feasible to cater for road widening in the future if required. To allow flexibility for accommodating such a need in future, the Administration would avoid providing new building structures along the street under the proposed project.

Action

Implementation of the proposed project

20. Mr Wilson OR enquired about the government department responsible for overseeing the implementation of the proposed works and the government department responsible for managing the facilities. In response to Mr Tony TSE's enquiry on why the Administration entrusted the design and construction of the proposed works to HA, DDH(D&C) advised that the DOS under the proposed project would cater for the growth of demand arising from the population increase generated by the San Po Kong public housing development. CA(6), HD said that in consulting District Council during the planning stage of King Tai Court, there were also views that the proposed DOS project might be entrusted to HA.

21. Mr Tony TSE enquired whether HA would use in-house manpower resources to undertake the proposed works and whether HA could handle the additional workload, DDH(D&C) advised in the affirmative. She added that after obtaining the relevant funding approval, the tendering process for the works would be started. HA would closely monitor the implementation progress of the proposed project.

Concluding remarks

22. Concluding the discussion, the Chairman said that members supported the submission of the proposal to the Public Works Subcommittee for consideration.

VI. Implementation of the revised Well-off Tenants Policies of the Hong Kong Housing Authority

(LC Paper No. CB(1)739/17-18(01) — Administration's paper on implementation of the revised Well-off Tenants Policies of the Hong Kong Housing Authority

LC Paper No. CB(1)529/17-18(06) — Paper on Hong Kong Housing Authority's Well-off Tenants Policies prepared by the Legislative Council Secretariat (background brief))

Action

23. Deputy Secretary for Transport and Housing (Housing) briefed members on the implementation of the revised Well-off Tenants Policies ("WTP") of HA and the measures to further enhance the implementation arrangements of the revised WTP as endorsed by HA.

Declaration cycle in October 2017

24. Mr Wilson OR declared that he was a member of HA. Noting that some 1 100 public rental housing ("PRH") households were required to declare their income and assets under the declaration cycle in October 2017, Mr OR asked about (a) the deadline for these households to return the declaration forms; (b) the distribution of these households in PRH estates; (c) the percentage of these households over the total number of PRH households which were required to make income and asset declarations pursuant to the revised WTP; and (d) the number of applications for deletion of household members from the tenancy in these PRH estates in the past six months compared to number of those submitted to HA before the revision to WTP. Mr HO Kai-ming enquired about the number of the 1 100 households who were well-off households under the revised WTP. Assistant Director (Estate Management)1, Housing Department said that about 1 100 households were required to submit the completed declaration forms in late November 2017. Regarding the other enquiries by Mr OR, Permanent Secretary for Transport and Housing (Housing) ("PS(H)") said that there were practical difficulties for HA to compile the requested information. The information requested by Mr HO was not available at this stage as the Housing Department ("HD") had yet to complete vetting of the declaration forms concerned.

25. Mr KWOK Wai-keung declared that he was a member of HA and its Subsidised Housing Committee ("SHC"). He enquired, among the 1 100 households, how many had applied for deletion of individual household members from the tenancy before submitting the income and asset declarations to HA pursuant to the revised WTP. He said that the Administration should make available such information in due course. PS(H) replied that the Administration would report to the Panel, where appropriate, on the implementation of the revised WTP, including the results of HA's vetting of the declaration forms submitted by the about 1 100 households.

Action

Effectiveness of the revised policies

26. Mr SHIU Ka-chun and Mr Wilson OR expressed doubts about the effectiveness of WTP in recovering PRH units for re-allocation to PRH applicants. Mr SHIU Ka-chun enquired the number of PRH units vacated by sitting tenants pursuant to WTP in the past five years. PS(H) replied that in the past few years before the implementation of the revised WTP, HA recovered about 200 units annually from PRH sitting tenants paying additional rent. The number of units vacated by PRH households under the revised WTP was not known at this stage. Notwithstanding that the number of PRH units recovered was yet to be available, he explained that the objective of revising WTP was to ensure that PRH units would be allocated in a fair and reasonable manner to those with more pressing housing needs.

Impact of the revised policies on public rental housing households

27. Mr HO Kai-ming, Mr SHIU Ka-chun, Mr Wilson OR and Mr KWOK Wai-keung expressed concern that the revised WTP would force PRH households to apply for deletion of their younger working members from the tenancy, hence rendering them being unable to live with their senior household members. Mr HO expressed concern that the number of such applications exceeded 40 000 in 2017. In view that the number of PRH households with all elderly members would increase and the younger household members who moved out from the PRH units had difficulties in securing subsidized sale flats using White Form status, he urged the Administration/HA to put in place incentives for well-off households to purchase subsidized sale flats using Green Form status. Mr Andrew WAN declared that he was a member of HA. Mr WAN questioned the effectiveness of the revised WTP since after a household applied for deletion of a family member from the tenancy owing to the implementation of the revised policies, the family member concerned might continue staying in the PRH unit. Mr AU Nok-hin expressed similar view. Mr SHIU Ka-chun said that the revised WTP were contrary to the policy of fostering harmonies families. He questioned whether HA had consulted the Elderly Commission on the revised WTP.

28. PS(H) replied that HA had regularized the Green Form Subsidised Home Ownership Scheme ("GSH") with a view to providing an additional avenue for Green Formers to purchase subsidized sale flats. Before each sale exercise of new Home Ownership Scheme ("HOS") flats, SHC would decide the allocation of quota between Green Form and White Form applicants. There were currently about 19% of the PRH households where all household members were elderly, and this might be attributed to the fact that in line with

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the Government policy of promoting "ageing in place", HA had adopted measures to offer elderly applicants a higher priority for allocation of PRH. The number of HA's approved applications for deletion of individual household members from the tenancy due to different reasons was about 39 000 in 2009, 37 000 in 2011 and 41 000 in 2017, representing about 1.9%, 1.8% and 2% of the total number of PRH authorized population at that time respectively. Although certain PRH households might make such applications owing to the revised WTP, HA did not notice any significant increase in such applications since the implementation of the revised WTP.

29. Mr Andrew WAN was concerned that the number of applications for deletion of individual household members from the tenancy exceeded 40 000 in 2017. Mr SHIU Ka-chun opined that PRH households might make such applications well before the implementation of the revised WTP to avoid their incomes and assets exceeding the prescribed limits under the policies. He commented that the households with income or assets exceeding the prescribed limits under the revised policies should not be seen as rich and should not be named as "well-off", as they might not be able to afford private flats or even subsidized sale flats which were currently sold close to the market price. PS(H) replied that "the Housing Subsidy Policy" and "the Policy on Safeguarding Rational Allocation of Public Housing Resources" were the two policies that WTP referred to. HA had never sought to label any particular groups of tenants, but considered that when comparing with those waiting for PRH allocation, "well-off" tenants were relatively more capable of taking care of their own housing needs.

(At 5:45 pm, the Chairman advised that she had received a motion proposed by Mr HO Kai-ming in respect of the agenda item)

Housing supply

30. Mr KWOK Wai-keung said that under the revised WTP, PRH tenants were required to vacate their units if their household incomes exceeded five times of the PRH income limits ("PRHILs") or their assets exceeded 100 times of PRHILs. He enquired whether the Administration had studied the impact of the revised policies on the residential property market. Mr KWOK further enquired whether HA would suspend the decision of requiring PRH residents to move out of their flats on a compulsory basis under the revised WTP in view of the shortfall in subsidized sale flats and high flat rentals. Mr AU Nok-hin opined that over years, the Administration had sold housing land to developers instead of allocating them for providing public housing, and HA refined WTP because there was inadequate PRH supply. He urged HA to assess the impact of the revised WTP and re-consider the way forward of the policies in light of

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the assessment results and members' views on the subject matter. PS(H) replied that since the promulgation of the Long Term Housing Strategy ("LTHS") in 2014, which was formulated upon the recommendations of the LTHS Steering Committee with a view to addressing the housing demand-supply imbalance, the Administration had adopted a supply-led strategy to increase housing supply. Furthermore, SHC had previously considered the suggestion to postpone the implementation of the revised WTP, and had maintained its decision to take forward the revisions. In light of public views and concerns on the revised WTP, SHC had endorsed enhancement measures on its implementation.

31. Mr WU Chi-wai cast doubt whether a four-person household with assets at 100 times of the PRHIL concerned was capable of affording a HA's subsidized sale flat given its prevailing selling price. PS(H) replied that when considering the revisions to WTP, SHC decided to maintain the asset limit at 100 times of the PRHILs. Where appropriate, SHC might adjust the asset limits in future. In response to Mr WU's enquiry on how the asset limit for a four-person PRH household under the revised WTP compared to the asset levels of other four-person households in Hong Kong, PS(H) advised that the Administration/HA did not have the information as requested by Mr WU.

32. Mr SHIU Ka-fai declared that he was a non-remunerated member of HA. He opined that public housing resources were limited and the current PRH waiting time was long. The Government's housing policy was to provide PRH for low income families who could not afford private rental accommodation. Taking a four-person household as an example, Mr SHIU said that since five times of the PRHIL was more than \$139,000 and 100 times of the PRHIL was about \$2.8 million, households with such income or asset level should be able to take care of their housing needs and should return their PRH units to HA for re-allocation to families that were more in need.

33. The Chairman expressed agreement with the need for HA/the Administration to ensure a rational allocation of limited public housing resources and the importance of providing PRH to low-income families who could not afford private rental housing. Given the currently limited supply of GSH and HOS units, there might not have adequate subsidized sale flats to meet the housing demand of well-off households. Some PRH tenants who were taxi drivers might have worked hard for decades to earn sufficient income to purchase a taxi licence, and they might be regarded as well-off as the prevailing value of a taxi licence exceeded the prescribed asset limits under the revised WTP. As the taxi was a means of living for these households, it was not practicable for them to sell the taxi licence for buying or renting a private flat. Instead, the taxi driver had to delete himself/herself from the tenancy or

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divorce in order to enable other family members to continue to live in the PRH unit. PRH tenants who owned a coach or school bus as their means of living might encounter the same difficulties following the implementation of the revised WTP. The Chairman said that the revised WTP might not effectively increase the number of PRH units vacated by PRH tenants, but would increase the number of PRH households with all elderly members. She considered that HA should postpone the implementation of the revised WTP. Mr SHIU Ka-fai said that PRH tenants who owned a taxi licence with a value of about \$6 million should have relatively less pressing needs for a PRH unit when compared with the needy families on the waiting list. He expressed disagreement with the suggestion of postponing the implementation of the revised WTP.

Implementation of the revised policies

34. Mr Andrew WAN sought clarification on whether HA implemented the revised WTP starting from the declaration cycle in October 2017 as a pilot project, and whether HA would make any change to the declaration cycle in April 2018 in light of the outcomes of the pilot. In response, PS(H) clarified that the declaration cycle in October 2017 was not meant to be a pilot, as PRH households were all along required to make declarations in April and October each year. SHC considered it appropriate to implement the revised WTP starting from the declaration cycle in October 2017, and had requested HD to report to SHC any implementation issues. The implementation of the revised WTP would follow the principles endorsed by SHC, and where appropriate, HD might propose adjustments to the implementation details for SHC's consideration.

35. Mr Wilson OR enquired about the hotline services for enquiries on the policies by PRH households. PS(H) replied that apart from the regular 24-hour hotline, HA had set up a dedicated enquiry hotline for the revised WTP, which had received around 3 750 enquiries up to end-January 2018.

Exemptions under the revised policies

36. Mr AU Nok-hin opined that HA should consider extending exemptions under WTP to households which had one or some household members aged 60 or above, or receiving Comprehensive Social Security Assistance or the Social Welfare Department's Disability Allowance. Mr WU Chi-wai enquired whether HA would allow deduction from the calculation of the household income of medical expenses incurred by a household member suffering from serious illness. Mr Wilson OR enquired whether HA would exercise discretion in granting exemptions in cases where the households owned assets, such as

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boats, which were their means of living and their value exceeded the asset limits under the revised WTP. PS(H) replied that SHC had previously discussed the matters mentioned by Mr OR and had agreed to follow the HA's established method of calculating the total net household asset value. He supplemented that assessment under WTP was made on a household basis. HA would continue to monitor the implementation of the revised WTP.

Motion

37. The Chairman referred members to the motion proposed by Mr HO Kai-ming, which she considered relevant to the agenda item –

Motion moved by Mr HO Kai-ming and seconded by Mr KWOK Wai-keung and Mr LUK Chung-hung –

"鑒於新富戶政策對公屋居民構成憂慮及困擾，但具體成效卻未明，本會要求房委會盡快評估及檢討新富戶政策對居民及騰出單位的影響，並向本委員會盡快提供相關數據，包括收回單位及刪除戶籍的個案數目等以作討論；而在有關評估及檢討未完成以前，房委會應暫緩執行新富戶政策下強制遷出居民單位的決定。"

(Translation)

"As the new Well-off Tenants Policies ("WTP") have aroused worries and distress among public rental housing ("PRH") residents but their concrete effect is uncertain, this Panel urges the Hong Kong Housing Authority ("HKHA") to expeditiously assess and review the impact of the new WTP on residents and the vacation of flats, as well as expeditiously provide relevant statistics, including the respective numbers of cases of flat recovery and deletion of family members from the PRH tenancy, etc., for discussion by this Panel; and prior to the completion of the aforesaid assessment and review, HKHA should suspend the implementation of the decision of requiring residents to move out of their flats on a compulsory basis under the new WTP."

38. The Chairman put to vote the motion moved by Mr HO Kai-ming. At the request of Mr SHIU Ka-fai, the Chairman ordered a division. Nine members voted for, two members voted against it and no member abstained from voting. The votes of individual members were as follows:

Action

For:

Mr KWOK Wai-keung
Mr Andrew WAN
Mr Wilson OR
Dr CHENG Chung-tai
Mr Vincent CHENG
(9 members)

Dr Fernando CHEUNG
Mr HO Kai-ming
Mr CHEUNG Kwok-kwan
Mr AU Nok-hin

Against:

Mr SHIU Ka-fai
(2 members)

Mr Tony TSE

39. The Chairman declared that the motion was carried.

(Post-meeting note: The wording of the motion passed was issued to members vide LC Paper No. CB(1)787/17-18(02) on 11 April 2018 and was provided to the Administration via the letter dated 11 April 2018.)

VII. The work of the Sales of First-hand Residential Properties Authority

(LC Paper No. CB(1)749/17-18(04) —Administration's paper on the work of the Sales of First-hand Residential Properties Authority

LC Paper No. CB(1)749/17-18(05) —Paper on the work of the Sales of First-hand Residential Properties Authority prepared by the Legislative Council Secretariat (updated background brief)

40. With the aid of video presentation, 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").

Action

Sales of first-hand residential properties

41. Mr HO Kai-ming said that in order to attract buyers of first-hand residential properties, developers had launched a variety of mortgage plans and incentives, such as mortgage loans with high loan-to-value ratio, second mortgages, no requirements for income proof, etc. He enquired whether SRPA had found regulatory issues arising from these practices and whether SRPA would remind prospective buyers of the risks associated with such mortgage plans. D/SRPA replied that SRPA would continue to monitor closely the developers' sales practices and remind prospective buyers through various channels that they should consider carefully their financial capability, including their ability to afford mortgage payments, when deciding whether to accept an offer. SRPA had produced a television Announcement in the Public Interest ("API") to remind prospective buyers of the points they should pay attention to when making a purchase decision.

42. Mr HO Kai-ming said that SRPA should ensure that the messages to remind prospective buyers could reach out to them and should be easy for them to understand within a short time. D/SRPA replied that besides the Notes to Purchasers of First-hand Residential Properties, SRPA had published a comic booklet to deliver the messages about matters a buyer needed to know when purchasing a first-hand residential property in a simple and user-friendly manner. SRPA also distributed promotional pamphlets to prospective buyers at sales offices to help them understand the protection afforded by the Residential Properties (First-hand Sales) Ordinance (Cap. 621) ("the Ordinance").

43. Mr Tony TSE enquired whether there were any suggestions relating to sales of first-hand residential properties, such as those on how to enhance the transparency and fairness in the sales of residential properties, strengthen consumer protection, etc., that had been raised by vendors/developers/buyers and prospective buyers since the implementation of the Ordinance, which SRPA would further study and/or take into consideration when reviewing the Ordinance in future. D/SRPA replied that some stakeholders such as vendors, developers, the Consumer Council ("CC") and professional organisations had previously raised suggestions relating to sales of first-hand residential properties. SRPA had taken on board the CC's request of including a reminder to the purchasers that estimated material date was not the same as hand over date in its radio API. The trade had suggested that SRPA should exercise discretion to exempt developers from the requirement of providing hard copies of sales brochures if they had provided their electronic copies. SRPA had explained to the trade that under the Ordinance, vendors were required to make available hard copies of sales brochures. Mr TSE requested the Administration to provide supplementary information to address his enquiry.

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44. Mr KWOK Wai-keung opined that the number of unsold first-hand residential properties had been increasing in recent years, indicating that developers might, amidst the shortage of housing, hoard flats for sale at high prices in future. Mr KWOK enquired about the regulation of such developers' practices, and the SRPA's position with respect to the Hong Kong Federation of Trade Unions' suggestion to introduce vacancy tax to combat the practices. He referred to the rates concession in the 2018-2019 Budget and opined that it should not be granted for the first-hand residential properties hoarded by developers. He further suggested that SRPA should study whether a time limit should be set for developers to put up for sale/sell out their completed first-hand residential properties. Dr Fernando CHEUNG said that the Labour Party held the view that the Administration should introduce property vacancy tax as a measure against developers' hoarding of completed first-hand residential properties. Mr Jeremy TAM said that the Civic Party had suggested to the Financial Secretary to introduce property vacancy tax, and proposed on 21 March 2018 that the vacancy tax should be charged on a residential property which remained vacant for one year or more after the issue of the occupation permit in respect of the property. Mr CHAN Chi-chuen said that the Administration should introduce property vacancy tax on the unsold flats hoarded by developers, and that the Government should not grant rates concession for such flats. He further opined that when reviewing the Ordinance in future, SRPA should consider whether saleable area of a flat should exclude the area of lift lobby and refuse room.

45. D/SRPA replied that saleable area was defined under the Ordinance. The Ordinance was fully implemented in 2013 after a detailed discussion and deliberation in the concerned Bills Committee. Notwithstanding, SRPA noted the Member's view. One of the main functions of SRPA was to monitor vendors/developers' compliance with the requirements of the Ordinance, and SRPA had all along stressed that vendors/developers had to set out information in sales documents according to the requirements of the Ordinance, to facilitate prospective buyers to make an informed decision. The Chairman requested the Administration to provide supplementary information on whether SRPA would study the issues/suggestions raised by Mr KWOK Wai-keung and Mr CHAN Chi-chuen at the meeting and/or review the Ordinance with due regard to these issues/suggestions

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(At 6:28 pm, the Chairman announced that the meeting be extended from 6:45 pm to 7 pm.)

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Consumption tables

46. Dr Fernando CHEUNG said that CC had previously sent out staff members posing as prospective buyers to visit the sales offices of first-hand residential developments, and found that it was difficult for prospective buyers to access and read the information in the consumption tables displayed in the developers' sales offices. There were cases where developers merely stacked together different versions of the consumption table updated over time, or displayed the consumption table only at the display hall's ballot area so that only the prospective buyers who had submitted cashier orders for registrations of intent and about to participate in balloting could obtain the information. As the consumption tables only provided information on the sales of units, buyers had to go through other sales documents to obtain other information such as saleable area, price per square foot, etc. CC had recommended that the relevant authorities should refine the scope and transparency of information disclosure for consumption tables, and strengthen on-site inspection on the industry's sales practices. Dr CHEUNG enquired whether SRPA would review and amend the Ordinance with due regard to the CC's recommendations. D/SRPA replied that, to address the issues raised by CC, SRPA considered that amending the Ordinance was not the only means, and would continue to request developers to ensure accuracy of the information in the consumption tables and conduct visits to sales offices to ensure compliance. Deputy Director of Sales of First-hand Residential Properties Authority advised that SRPA had issued a reminder recently to reinforce the message that the information set out in the consumption table should be displayed in a manner that it was reasonably visible to any person entering the sales office.

(At 6:37 pm, the Chairman advised that she had received a motion proposed by Mr Jeremy TAM with respect to the agenda item, which was tabled at the meeting.)

Sales brochures

47. Mr Jeremy TAM referred to his motion and reiterated his suggestion at the Panel's meeting on 11 April 2017 that SRPA should require developers to make clear in sales brochures whether residents were allowed to keep dogs in the first-hand residential properties concerned, as some prospective buyers were unaware that they might check such information in the deeds of mutual covenant ("DMC"). D/SRPA replied that having regard to Mr TAM's suggestion above, SRPA had reminded vendors to ensure that DMCs should be easily accessible by prospective buyers at sales offices. As developers/vendors should not include information in the sales brochures which were not required under the Ordinance, such as information about pet keeping provided in

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DMCs, a more realistic approach was to remind prospective buyers that they might check DMCs to find out whether pet keeping was allowed in the property. The Chairman said that SRPA should consider Mr TAM's suggestion when reviewing the Ordinance in future.

Sales of First-hand Residential Properties Electronic Platform

48. Mr Jeremy TAM expressed appreciation to SRPA in enhancing the design of the Sales of First-hand Residential Properties Electronic Platform ("SRPE"), as suggested by him at the Panel's meeting on 11 April 2017, to address the difficulties for users to search for sales brochures of multiple number of residential developments. He opined that SRPA should continue to consider other improvements to the user-friendliness of SRPE. D/SRPA replied that apart from the change to the SRPE's design mentioned by Mr TAM, SRPA had further enhanced some other design aspects of the platform. According to a customer satisfaction survey conducted by SRPA, a majority of the 340 survey respondents, of which 62% were members of the public, were satisfied with the enhanced design. SRPA would continue to consider any suggestions with respect to the design of the platform.

Motion

49. At 6:43 pm, at the invitation of the Chairman, Mr Jeremy TAM moved his motion in respect of the agenda item. The Chairman said that as there was a lack of quorum, the voting of the motion would be deferred to the next regular meeting scheduled for 7 May 2018. There was no objection to the arrangement from members.

VIII. Any other business

50. There being no other business, the meeting ended at 6:44 pm.

Council Business Division 1
Legislative Council Secretariat
23 August 2018