

LC Paper No. CB(1)706/18-19 (These minutes have been seen by the Administration)

Ref : CB1/PS/1/18

Panel on Housing

Subcommittee to Follow Up Issues Related to Inadequate Housing and Relevant Housing Policies

Minutes of Second meeting held on Tuesday, 22 January 2019, at 10:30 am in Conference Room 3 of the Legislative Council Complex

Members present	:	Hon Vincent CHENG Wing-shun, MH (Chairman)
		Hon Andrew WAN Siu-kin (Deputy Chairman)
		Hon Abraham SHEK Lai-him, GBS, JP
		Hon Paul TSE Wai-chun, JP
		Hon Alice MAK Mei-kuen, BBS, JP
		Hon KWOK Wai-keung, JP
		Dr Hon Fernando CHEUNG Chiu-hung
		Hon SHIU Ka-fai
		Hon SHIU Ka-chun
		Hon Wilson OR Chong-shing, MH
		Hon CHEUNG Kwok-kwan, JP
		Hon Jeremy TAM Man-ho
		Hon Tony TSE Wai-chuen, BBS
		Hon CHAN Hoi-yan
		-
Members absent	:	Hon James TO Kun-sun

Hon LEUNG Yiu-chung

Hon WU Chi-wai, MH

Hon KWONG Chun-yu

Hon CHU Hoi-dick

Hon Starry LEE Wai-king, SBS, JP

Hon CHAN Han-pan, BBS, JP

Hon Mrs Regina IP LAU Suk-yee, GBS, JP

Public Officers attending	:	Agenda item IV
attenung		Transport and Housing Bureau
		Dr Raymond SO, BBS, JP Under Secretary for Transport and Housing
		Ms Esther LEUNG Yuet-yin, JP Deputy Secretary for Transport and Housing (Housing)
		Mr CHAN Nap-ming Project Director 1, Task Force on Transitional Housing
		Mr Stephen WONG Wing-hung Project Director 2, Task Force on Transitional Housing
Clerk in attendance	:	Mr Daniel SIN Chief Council Secretary (1)6
Staff in attendance	:	Ms Mandy LI Senior Council Secretary (1)6
		Mr Patrick CHOI Council Secretary (1)6
		Miss Yolanda CHEUK Legislative Assistant (1)6

(LC Paper No. CB(1)372/18-19(01) -- Letter from Hon Regina IP LAU Suk-yee on application for membership (Chinese version only))

<u>Action</u>

<u>Members</u> agreed to accept the application from Mrs Regina IP LAU Suk-yee for late membership of the Subcommittee pursuant to Rule 23(c) of the House Rules.

II. Confirmation of minutes

(LC Paper No. CB(1)478/18-19 -- Minutes of meeting held on 14 December 2018)

2. The minutes of the meeting held on 14 December 2018 were confirmed.

III. Date of next meeting and item(s) for discussion

(LC Paper No. CB(1)485/18-19(01) -- List of proposed items for discussion)

3. <u>Members</u> agreed to schedule the next meeting on 19 February 2019 and accepted the list of proposed items for discussion.

IV. Overview of the Government's policies and measures on addressing the problem of inadequate housing and facilitating community initiatives on transitional housing

(LC Paper No. CB(1)485/18-19(02) -- Administration's paper on "Measures alleviating the housing difficulties of inadequately housed households")

Discussion

4. <u>The Subcommittee</u> deliberated (index of proceedings in the **Appendix**).

Motions

5. <u>Ms Alice MAK Mei-kuen</u> proposed two motions under the agenda item. <u>The Chairman</u> ruled that the motions were related to the item under discussion. <u>The Subcommittee</u> agreed and <u>the Chairman</u> put the following motions to vote separately: Action

First motion proposed by Ms Alice MAK Mei-kuen:

本會要求政府在未能增加公營房屋供應量,令公屋輪候時 間回落至「三年上樓」前,盡快提出措施紓緩不適切居所 住戶的住屋需要及減輕他們的租金負擔,當中包括盡快為 輪候公屋逾三年的基層家庭提供租金津貼、同時重訂租務 管制及研究推行物業空置稅,以免租金津貼因業主加租而 被「蠶食」。此外,政府也應每年統計及公布分間樓宇單 位的租金狀況,並強制要求涉及不適切居所的租約必需以 書面形式訂立及加蓋印花稅(即打釐印),保障基層租客的 權益。

(Translation)

This Subcommittee requests the Government to introduce expeditiously measures to alleviate the housing demand of people living in inadequate housing and ease their burden on rents before the Government has increased the supply of and reduced the waiting time for public rental housing ("PRH") to three years. These measures should include providing rental subsidy to grass-roots families who have been waiting for PRH for more than three years at the earliest opportunity, while, at the same time, reinstating rental control and examining the implementation of vacant property tax, so that rental subsidies would not be "gnawed away" by rental increase by landlords. Furthermore, the Government should compile and publish statistics on the rental situation of sub-divided units on a yearly basis and should mandate all tenancy agreements involving inadequate housing be contracted in writing with stamp duty paid, with a view to protecting the interests of grassroots tenants.

Second motion proposed by Ms Alice MAK Mei-kuen:

鑑於民間在興建過渡性房屋上面對不少困難,本會要求政府 加大力度發展過渡性房屋,以紓緩長期輪候公屋及居住環境 惡劣人士的居住困難,當中包括:1)制訂整全的過渡性房屋政 策及訂定每年供應目標、2)增加現時過渡性房屋專責小組的 規模,並以跨政策局方式為過渡性房屋提供一站式統籌及支 援、3)成立專項基金為興建及推行過渡性房屋項目的民間和 公營機構提供足夠財政承擔,從而在短期內增加過渡性房屋 的數目。

(Translation)

Given that many difficulties are encountered in the implementation of community initiatives on transitional housing, this Subcommittee requests the Government to step up efforts in developing transitional housing, so as to alleviate the housing problems of those who have long been on the waiting list for public rental housing and are in poor living conditions, including (1) formulating holistic policies and setting an annual production target for transitional housing; (2) expanding the existing composition of the Task Force on Transitional Housing and providing one-stop coordinated support for transitional housing through a cross-bureaux approach; and (3) establishing a dedicated fund to provide adequate financial commitment to facilitate community initiatives on transitional housing by public sector, thereby increasing the provision of transitional housing within a short period of time.

6. As a majority of members present voted for the above two motions, <u>the</u> <u>Chairman</u> declared that the above two motions were carried and requested the Administration to respond to the concerns raised by the Subcommittee.

(*Post-meeting note*: The two motions were issued to members in LC Paper Nos. CB(1)497/18-19(01) and CB(1)497/18-19(02) on 23 January 2019.)

Follow-up actions

- 7. The Administration was requested to provide the following information:
 - (a) <u>Provision of transitional housing</u>

The details, in tabular form, of the provision of transitional housing between 2017 and 2019, and the target number of transitional housing units to be provided by the Administration;

(b) Households of inadequate housing

The estimated number of households living in various types of inadequate housing units, with breakdown by the following categories: (i) units made up of temporary structures (e.g. squatters); (ii) units in non-residential buildings (e.g. industrial buildings); (iii) units shared with other households (e.g. capsule-like accommodation, cubicles, bedspaces); and (iv) sub-divided units;

(c) <u>Community Housing Movement</u>

In respect of the implementation of Community Housing Movement in 2017-2018, the details including the respective number of applications received, approved or rejected; and the justification for rejecting such applications;

(d) <u>Wholesale conversion of industrial buildings for transitional</u> <u>housing</u>

Elaboration on the measures such as artificial lighting and mechanical ventilation to improve natural lighting and ventilation of transitional housing in wholesale-converted industrial buildings, with reference to experience gained in the Community Housing Movement project (at To Kwa Wan Road) operated by the Hong Kong Council of Social Service; and

(e) <u>Use of vacant government sites/premises by non-governmental</u> <u>organizations</u>

A list of vacant government sites (including vacant school premises) under the management of the Lands Department, setting out details of the sites including (i) location, area, long-term use (where available), etc.; and (ii) potential sites suitable for transitional housing use and the relative priorities to accommodate needy households while some of the sites were in relatively remote locations with limited access, and subject to technical constraints, such as constraints posed by adjoining slopes, or inadequate infrastructural support.

(*Post-meeting note*: The Administration's supplementary information was issued to members in LC Paper No. CB(1)588/18-19(01) on 15 February 2019.)

V. Any other business

8. There being no other business, the meeting closed at 12:27 pm.

Council Business Division 1 Legislative Council Secretariat 13 March 2019

Appendix

Panel on Housing

Subcommittee to Follow Up Issues Related to Inadequate Housing and Relevant Housing Policies

Proceedings of second meeting on Tuesday, 22 January 2019, at 10:30 am in Conference Room 3 of the Legislative Council Complex

Time marker	Speaker	Subject(s)	Action required		
Agenda ite	Agenda item I — Application for late membership				
000837 – 000932	Chairman	Mrs Regina IP LAU Suk-yee's application for late membership			
Agenda ite	em II — Confirmation of r	ninutes			
000933 – 001011	Chairman	Minutes of meeting held on 14 December 2018			
Agenda ite	em III — Date of next mee	ting and item(s) for discussion			
001012 – 001308	Chairman	Date of next meeting and items for discussion			
001309 – 001448	Chairman	The Chairman informed members that the Research Office had published an information note on <i>Policy</i> <i>Measures to Address Housing Needs of Young</i> <i>People in Selected Places</i> (LC Paper No. IN04/18-19). A relevant fact sheet would be prepared for members' reference before the next meeting.			
		Government's policies and measures on addressing community initiatives on transitional housing	the problem of		
001449 – 002054	Chairman Administration	Briefing by the Administration			
002055 – 002702	Chairman Deputy Chairman Administration	The Deputy Chairman commented that as public rental housing ("PRH") supply was expected to fall short of demand for the ten-year period from 2019-2020, the Administration should implement effective short-term measures, including comprehensive tenancy control and rent subsidy, to relieve the hardship of inadequately housed households ("IHHs"), most of whom were awaiting allocation of PRH. The Deputy Chairman asked whether the			
		The Deputy Chairman asked whether the Administration would explore the option of releasing government land currently leased under			

Time marker	Speaker	Subject(s)	Action required
		short-term tenancy ("STT"), or negotiating with Hong Kong Disneyland on releasing the site reserved for its second phase development, for provision of transitional housing.	
		The Administration responded that it would update the ten-year housing demand projection annually and present a rolling ten-year housing supply target according to Long Term Housing Strategy. Since it would take time to identify land for housing construction, the Administration would, on top of the long-term housing policy and measures, support and facilitate the implementation of various community initiatives in the provision of transitional housing.	
002703 – 003241	Chairman Mr Jeremy TAM Man-ho Administration	Mr Jeremy TAM Man-ho commented on the issues related to the conversion of industrial buildings into transitional housing. In particular, he asked how the Administration would deal with proposals where the housing units lacked natural lighting and ventilation.	The Administration to take action as per paragraph 7(d) of the minutes.
		The Administration explained that transitional housing projects supported by the Task Force on Transitional Housing ("Task Force") might be considered for exemptions from the requirements for natural lighting and ventilation if there were satisfactory mitigating measures in place such as artificial lighting and mechanical ventilation facilities. There were successful examples where units in industrial buildings were turned into domestic units by adopting such remedial measures.	
		Mr Jeremy TAM Man-ho asked the Administration to provide details on how the mitigating measures such as artificial lighting and mechanical ventilation worked in practice in wholesale-converted industrial buildings, with reference to experience gained in the Community Housing Movement project (at To Kwa Wan Road) operated by the Hong Kong Council of Social Service.	
003242 – 003810	Chairman Ms Alice MAK Mei-kuen Administration	Ms Alice MAK Mei-kuen commented that tenancy control, rent subsidy and special rates on vacant second-hand private residential units should be implemented in tandem in order to be effective.	

Time marker	Speaker	Subject(s)	Action required
		Ms Alice MAK Mei-kuen also commented that apart from playing a facilitator role, the Task Force should assume a more proactive role in the provision of transitional housing, in terms of making available financial and manpower resources, as well as suitable sites. The Administration maintained its view that introducing tenancy control and/or rent subsidy amid the current housing demand-supply imbalance might be counterproductive. The Administration supplemented that the Task Force had been playing an active role in exploring with relevant departments which of the vacant government sites or premises might be suitable for transitional housing development. It would also take the initiative to engage interested organizations in developing the sites or premises by untangling administrative and legal hurdles in addition to offering advice and assistance in funding applications, etc.	
003811-004447	Chairman Mr SHIU Ka-chun Administration	Mr SHIU Ka-chun asked the Administration to provide statistics on the number of units provided under the Community Housing Movement in 2017-2018, the number of households or individuals benefited, the respective number of applications received, approved or rejected; and the justification for rejecting such applications. He also asked the Administration how long it expected the issue of inadequate housing would be resolved with the current rate of housing provision. Mr SHIU Ka-chun also asked the Administration to provide information on the estimated number of households living in various types of inadequate housing units, with breakdown by the following categories: (i) units made up of temporary structures (e.g. squatters); (ii) units in non-residential buildings (e.g. industrial buildings); (iii) units shared with other households (e.g. capsule-like accommodation, cubicles, bedspaces); and (iv) sub-divided units. The Administration agreed to provide supplementary information as appropriate. Quoting the results of a survey conducted by the Asbury Methodist Social Service, Mr SHIU	The Administration to take action as per paragraphs 7(b) and 7(c) of the minutes.

Time marker	Speaker	Subject(s)	Action required
		Ka-chun expressed concern about the pressure faced by IHHs and queried whether emotional support services tailored for IHHs were being provided.	
		The Administration replied that it would explore with the relevant non-governmental organizations ("NGOs") whether specialized emotional support services were available for tenants in subdivided units.	
		Mr SHIU Ka-chun also asked whether the Administration had a plan and timetable for converting vacant school premises to transitional housing units.	
		The Administration explained that some of the vacant school premises had been designated for other development. The Administration was identifying suitable vacant school sites and would coordinate with interested NGOs for providing transitional housing on these sites.	
004448 – 005044	Chairman Ms CHAN Hoi-yan Administration	Ms CHAN Hoi-yan commented that the Administration should assume an active role in tackling housing problems faced by IHHs rather than relying on the initiatives of NGOs as provision of housing was not NGOs' objectives. She asked what immediate measures the Administration would implement.	
		The Administration advised that the Task Force on Land Supply had identified short, medium and long term measures to increase land supply. Meanwhile, rent allowance under the Comprehensive Social Security Assistance Scheme and compassionate rehousing arrangements were available for people in need.	
		The Administration further explained that NGOs were more flexible in offering various services to address the various needs of different target groups using different funding sources such as the Community Chest, the Social Innovation and Entrepreneurship Development Fund or the Community Care Fund for their housing projects.	
005045 – 005612	Chairman Administration	The Chairman requested the Administration to provide detailed statistics, in tabular form, of the provision of transitional housing between 2017 and	The Administration to take action

Time marker	Speaker	- 5 - Subject(s)	Action required
		 2019, and the target supply of transitional housing units by the Administration. The Administration responded that transitional housing may take different forms. The Administration hoped to bring together community efforts, especially allowing different NGOs to extend their creativity to provide various kinds of transitional housing projects. Since the arrangements of different NGOs might vary, it was impractical to set rigid targets for transitional housing projects. The Administration added that some projects proposed by the NGOs might not materialize in the end due to various reasons, and it would be more appropriate to announce each project as and when it because more mature in order to available. 	as per paragraph 7(a) of the minutes.
005613 – 010553	Chairman Mr Tony TSE Wai-chuen Administration	 it became more mature in order to avoid giving confusing information to the public. Mr Tony TSE Wai-chuen asked what role the Administration would play in the provision of modular transitional housing in terms of land supply, funding and professional advice. Mr TSE commented that the Administration should take up the construction of modular housing as it had the expertise and the resources; relying on the efforts and commitment of volunteers to advice NGOs or individuals to implement modular housing was not sustainable. 	
		Mr Tony TSE Wai-chuen also asked whether the Administration had set a standard of living space per person for transitional housing projects. The Administration advised that for the transitional housing projects currently in place, the average living space was about seven square metres per person, although a space of about 12 to 13 square metres had been provided in certain projects. The Administration advised that funding support from different sources and professional advice had been offered in certain transitional housing projects involving the adoption of modular construction method. Comparing with the Administration, NGOs would be more suitable to pursue such transitional housing projects since they were more flexible and creative in addressing the housing needs of different social groups.	

Time marker	Speaker	Subject(s)	Action required
010554 – 011609	Chairman Deputy Chairman Administration	The Deputy Chairman asked if the Administration would initiate discussion with the Hong Kong Disneyland to explore the possibility of using the site reserved for second phase development for transitional housing before it was due for construction.	The Administration to take action as per paragraph 7(e) of the minutes.
		The Deputy Chairman also asked if the Administration could provide a list of vacant sites and their planned use, as well as information on whether any of the sites could be made available for transitional housing development. He commented that even shorter term sites should be considered.	
		The Deputy Chairman suggested that the Administration should set up a \$5 billion fund for development of transitional housing, and the funding proposal should be included in the 2019-2020 Budget.	
		The Administration advised that there was an agreement with the Hong Kong Disneyland that the subject site was reserved for the latter's second phase of development. It would not be appropriate, under contractual spirit, for the Administration to change the terms of the agreement unilaterally.	
		The Administration said that the Lands Department ("LandsD") had compiled a list of vacant government land, which was available on LandsD's website, and the Administration was examining which of these sites might be suitable for the provision of transitional housing by the community. The Administration added that given the long lead time in carrying out foundation and other works, it would be preferable to select sites which had no planned use for at least five years.	
		The Administration added that \$1 billion was set aside in the 2018-2019 Budget to support NGOs to carry out site formation works on vacant government sites and restore vacant school premises for short-term uses. The fund could also provide funding support to applicable transitional housing projects. The Administration had submitted the relevant funding proposal to the Finance Committee of the Legislative Council for consideration.	

Time marker	Speaker	- 7 - Subject(s)	Action required
011610 – 012342	Chairman Mr Tony TSE Wai-chuen Administration	Mr Tony TSE Wai-chuen suggested that the Administration should adopt a policy that any vacant government land or premises might be taken back for provision of transitional housing purposes for up to five or six years, and it was up to the relevant department(s) to justify why it should not be so.	
		Mr TSE also suggested that the Administration should encourage the use of private agricultural land for transitional housing.	
		Mr TSE commented that owners of industrial buildings might not find it commercially attractive if they could only receive approval for converting such buildings into transitional housing that could be used for five years only. He suggested that certain criteria be relaxed or subsidies be provided, subject to conditions.	
		The Administration responded that it had taken proactive steps to approach relevant departments for vacant sites or premises with a view to facilitating the provision of more transitional housing by the community.	
		The Administration said that it was considering measures to encourage and facilitate the use of private agricultural land and industrial buildings for provision of transitional housing. It was expected that proposals involving the provision of transitional housing in converted industrial building could be considered favourably if the owners had a good operating track records.	
012343 – 013130	Chairman Ms CHAN Hoi-yan Administration	Ms CHAN Hoi-yan requested the Administration to provide a list of all vacant government sites and premises, and which of these sites and premises would not be used in the coming few years.	
		The Administration advised that a list of vacant government sites was compiled and published on the Government's GeoInfo Map web page. However, not all of these sites or premises were suitable for transitional housing due to factors such as size, location and accessibility; some sites might have heritage or historic value. The Administration would focus on the sites or	

Time marker	Speaker	Subject(s)	Action required
		premises where departments had reserved for certain designed purposes but development had not started.	
		The Administration explained that transitional housing might come in different forms and arrangements. Hence, it was impractical to set rigid targets for transitional housing projects.	
013131 – 013802	Chairman Administration	The Chairman proposed that the Administration should set up a fund to support transitional housing. He also suggested that the Administration should encourage property owners to donate or contribute their properties to the Community Housing Movement.	
		The Administration advised that it had assisted NGOs in funding applications for some of their housing projects. The Administration would consider the suggestion of setting up a dedicated fund to support NGOs in providing transitional housing. It was expected that the Task Force would be able to provide more solid advice to NGOs on Community Housing Movement projects after gathering experience in handling a few more successful cases.	
013803 – 014527	Chairman Ms Alice MAK Mei-kuen Administration	Ms Alice MAK Mei-kuen enquired when the Administration could announce the next transitional housing project to be implemented. She also asked the Administration the number of projects that were in the pipeline and when the project details could be publicized. Ms MAK also asked how long it would take to implement a transitional housing project from land search to completion.	
		The Administration said that it was currently working on about a dozen projects, and it was expected that at least two to three projects could be announced in the first half of 2019. However, it was difficult to generalize the duration of a transitional housing project as there might be many factors affecting the progress in each case.	
		As the Administration was not able to provide the details on the transitional housing projects, Ms Alice MAK Mei-kuen expressed concerns whether the problem of inadequate housing could be addressed through the provision of transitional	

Time marker	Speaker	Subject(s)	Action required
		housing. She commented that early release of information on the transitional housing projects under planning would facilitate better participation of the community and ensure that the projects would meet the needs of the community.	
014528 – 015213	Chairman Dr Fernando CHEUNG Chiu-hung Administration	Dr Fernando CHEUNG Chiu-hung also asked if the Administration had an overall plan on the development of transitional housing, say, in the coming five years, and, if so, the scale of the development.	
		The Administration advised that it was impractical to estimate the supply of transitional housing units in the coming five years because the scale and complexity differ from one transitional housing project to another. So far, the Administration expected that two to three projects could be announced in the first half of 2019. If these projects were implemented, about 300 housing units could be provided.	
		Dr Fernando CHEUNG Chiu-hung asked if the Administration could provide a list of projects that were most likely to commence implementation.	
		The Administration reiterated that it was impractical to draw up a list of potential projects given the uncertainties of each case.	
015214 – 015700	Chairman Deputy Chairman Administration	The Deputy Chairman commented that the Administration should take up the role of providing transitional housing rather than relying on community involvement as it had the authority over land use and land supply.	
		The Deputy Chairman further suggested the Administration should make better use of suitable STT land for transitional housing, and consider the redevelopment of vacant industrial buildings that were located close to urban areas.	
		The Administration responded that transitional housing provided by the community was a temporary and stop-gap measure to address the problems faced by people in inadequate housing. NGOs, given their more dynamic and flexible modes of operation, were better suited to take up such housing projects, while the Administration should focus efforts and resources on the provision	

Time marker	Speaker	Subject(s)	Action required
		of public housing. The Administration added that many of the government sites that were occupied on STT basis had designated uses or were being used to serve certain local needs (such as the provision of lands for logistics use or car parks). To convert the use of such sites to transitional housing might give rise to other issues. The Administration also commented that it would be up to the owners of industrial buildings whether they would redevelop their properties. The Administration was currently considering a number of applications and might gather some knowledge and experiences from some of the successful examples.	
015701 – 020000	Chairman Ms Alice MAK Mei-kuen	Voting on the motions proposed by Ms Alice MAK Mei-kuen	
	em V — Any other busines		
020001 – 020052	Chairman	Concluding remarks	

Council Business Division 1 Legislative Council Secretariat 13 March 2019