立法會 Legislative Council

LC Paper No. CB(1)294/19-20 (These minutes have been seen by the Administration)

Ref: CB1/PL/HG/1

Panel on Housing

Minutes of meeting held on Monday, 4 November 2019, at 2:30 pm in Conference Room 1 of the Legislative Council Complex

Members present: Hon Wilson OR Chong-shing, MH (Chairman)

Hon Andrew WAN Siu-kin (Deputy Chairman)

Hon James TO Kun-sun Hon LEUNG Yiu-chung

Prof Hon Joseph LEE Kok-long, SBS, JP Hon Starry LEE Wai-king, SBS, JP

Hon CHAN Hak-kan, BBS, JP

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP Hon Mrs Regina IP LAU Suk-yee, GBS, JP

Hon Paul TSE Wai-chun, JP

Hon Michael TIEN Puk-sun, BBS, JP

Hon WU Chi-wai, MH Hon CHAN Chi-chuen

Hon CHAN Han-pan, BBS, JP

Hon Alice MAK Mei-kuen, BBS, JP

Hon KWOK Wai-keung, JP

Ir Dr Hon LO Wai-kwok, SBS, MH, JP

Hon CHU Hoi-dick

Hon Junius HO Kwan-yiu, JP

Hon SHIU Ka-fai, JP Hon SHIU Ka-chun Hon YUNG Hoi-yan, JP

Hon CHEUNG Kwok-kwan, JP

Hon LAU Kwok-fan, MH

Dr Hon CHENG Chung-tai Hon Jeremy TAM Man-ho Hon Gary FAN Kwok-wai

Hon AU Nok-hin

Hon Vincent CHENG Wing-shun, MH, JP

Hon CHAN Hoi-yan

Members attending: Hon LUK Chung-hung, JP

Hon KWONG Chun-yu

Members absent: Hon Abraham SHEK Lai-him, GBS, JP

Hon LEUNG Che-cheung, SBS, MH, JP Dr Hon Fernando CHEUNG Chiu-hung

Hon HO Kai-ming

Hon Tony TSE Wai-chuen, BBS

Public Officers attending

Agenda Item IV

Mrs Alice CHEUNG, JP

Deputy Secretary for Transport and Housing

(Housing) / Deputy Director of Housing (Strategy)

Miss Sandra LAM

Assistant Director (Strategic Planning)

Housing Department

Mrs Harriet LAU

Chief Manager/Management (Support Services 2)

Housing Department

Agenda Item V

Dr Raymond SO, BBS, JP

Under Secretary for Transport and Housing

Mr CHAN Nap-ming, BBS

Project Director 1

Transport and Housing Bureau (Housing)

Mr Stephen WONG Project Director 2

Transport and Housing Bureau (Housing)

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

<u>Action</u>

I. Confirmation of minutes

(LC Paper No. CB(1)96/19-20 — Minutes of the meeting held on 18 October 2019)

The minutes of the meeting held on 18 October 2019 were confirmed.

II. Information papers issued since the meeting on 3 June 2019

2. <u>Members</u> noted that the following papers had been issued since the regular meeting on 3 June 2019 –

LC Paper Nos. — Land Registry Statistics for CB(1)1154/18-19(01), May to September 2019 CB(1)1254/18-19(01), provided by the CB(1)1302/18-19(01), Administration (press CB(1)1345/18-19(01) and CB(1)1366/18-19(01)

LC Paper No. CB(1)1223/18-19(01) — Referral memorandum from the Public Complaints
Office of the Legislative
Council Secretariat on policy issues relating to home modification /

adaptation works in public rental housing units (Chinese version only) (Restricted to members)

LC Paper No. CB(1)1238/18-19(01)

 Letter from Hon Abraham SHEK Lai-him regarding "Introduction of Special Rates on vacant first-hand private residential units by amending the Rating Ordinance" (Chinese version only)

LC Paper Nos. CB(1)1281/18-19(01) — Two referral memoranda and (02) arising from the meeting

arising from the meeting between Legislative Council Members and Sham Shui Po District Council members on May 2019 regarding redevelopment of a number of aged buildings in the Shek Kip Mei Estate; and (ii) implementation works to retrofit covers and barrier-free access facilities to public walkways (Chinese version only) (Restricted to members)

LC Paper No. CB(1)1300/18-19(01)

— Information booklet on General Housing Policies

LC Paper No. CB(1)1326/18-19(01)

— Referral arising from the meeting between Legislative Council Members and Shatin District Council members 19 February 2019 regarding renovation of the market in Pok Hong Estate (Chinese version only) (Restricted to members)

LC Paper No. CB(1)1344/18-19(01) — Administration's response to the letter from Hon SHIU Ka-chun (LC Paper No. CB(1)1141/18-19(02)) (Chinese version only) regarding the Administration's paper on "Preliminary views of the Government on legislating regulation for the facilities divested by the Kong Housing Hong Authority (LC Paper No. CB(1)1104/18-19(04))

III. Items for discussion at the next meeting

(LC Paper No. CB(1)67/19-20(01) — List of follow-up actions

LC Paper No. CB(1)67/19-20(02) — List of outstanding items for discussion)

- 3. <u>Members</u> agreed to discuss the following items at the next regular meeting scheduled for Monday, 2 December 2019, at 2:30 pm
 - (a) Head 711 project no. B795CL Site formation and infrastructure works for public housing developments at Pok Fu Lam South; and
 - (b) Public Housing Construction Programme 2019-20 to 2023-24.

(*Post-meeting note*: The notice of meeting and agenda were issued to members vide LC Paper No. CB(1)119/19-20 on 5 November 2019. On the instruction of the Chairman, the agenda for the December regular meeting has been revised to include the discussion on "Rent adjustment of rental estates and rent assistance measures of the Hong Kong Housing Society" and the meeting be extended to end at 5 pm to allow sufficient time for discussion. Members were informed of the meeting arrangements accordingly vide LC Paper No. CB(1)176/19-20 on 25 November 2019.)

IV. Rent payment for public housing tenants

(LC Paper No. CB(1)67/19-20(03) — Administration's paper on rent payment for public housing tenants)

- 4. <u>Deputy Secretary for Transport and Housing (Housing)/Deputy Director of Housing (Strategy)</u> ("DS(H)") briefed members on the Administration's proposal to pay one month's rent for lower income tenants living in the public rental units of the Hong Kong Housing Authority ("HA") and the Hong Kong Housing Society ("HS").
- 5. The Chairman reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of the Legislative Council ("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. He further drew members' attention to Rule 84 of the RoP on voting in case of direct pecuniary interest.

Purpose of the proposal

6. The Chairman asked about the Administration's considerations in its proposal to pay one month's rent for part of the tenants of public rental units, i.e. tenants of HA, HS Group A estates and Elderly Persons' Flats of HS Group B estates paying normal rent, only. Mr KWOK Wai-keung questioned whether paying rent for only part of HA and HS tenants could achieve the purpose of redistributing wealth effectively. Mr SHIU Ka-chun, Mr LEUNG Yiu-chung and Mr WU Chi-wai suggested that the Administration should extend the proposal to other tenants of public rental units, including HA tenants who were required to pay additional rent, tenants of non-Elderly Persons' Flats of HS Group B estates, etc. Mr WU said that the additional expenditure involved in taking forward the suggestion should be limited and represent only a small part of the total expenditure for implementing the proposal. Citing a past practice of paying the net rent for tenants of public rental units paying additional rent as example, the Chairman enquired whether the Administration would consider paying one month's net rent for the tenants of public rental units who were not covered under the proposal.

- 7. DS(H) replied that when working out the helping measures to relieve people's burden including the proposed one, the Financial Secretary had considered various factors including external and local economic situation. As the measure was intended to ease the burden of lower income families, after taking into account the income and asset limits for tenants of public rental units of HA and HS estates, the Administration considered it appropriate to pay one month's rent for tenants of HA, tenants of HS Group A estates, and tenants of Elderly Persons' Flats of HS Group B estates paying normal rent only. The scope of the current proposed rent payment was the same as the last initiative which was introduced in the 2015-16 Budget. Mr SHIU Ka-chun remained of the view that the Administration should take forward the suggestion of extending the proposed measure to all households of public rental units, irrespective of their differing levels of income. Mr LEUNG Yiu-chung enquired whether the Administration would reconsider the suggestion as any tenants of public rental units might need helping measures during the economic downturn. DS(H) replied that the Administration took note of the suggestion and would consider the appropriate action.
- 8. In view of the ongoing demonstrations in Hong Kong in recent months, Mr LEUNG Yiu-chung cast doubt on the political considerations, if any, for introducing the proposal and its effectiveness in helping resolve grievances in society. Mr Gary FAN opined that the Administration should have envisaged in early 2019 the risk of economic downturn, and queried why the proposed measure was announced in August this year but not earlier. In view of the Police's handling of demonstrations since June 2019 and its impacts on residents in public rental housing ("PRH") estates, he questioned whether the late introduction of the proposal reflected that the Administration had accorded a lower priority to the difficulties faced by PRH households. Considering that the Administration had not introduced rent payment measures for PRH households in the past few years or in the Budget delivered in February 2019 despite it had done so in previous years and community organizations had requested for it, Dr CHENG Chung-tai queried whether the proposal was merely a means to win public support having regard to the social tensions since June 2019 rather than a helping measure as claimed by the Administration. He urged the Administration to ensure consistency in the implementation of policies, and make clear whether it would resume the implementation of rent payment measures on an annual basis. Mr KWONG Chung-yu asked whether the Administration would regularize the rent payment measure and implement it on an annual basis as this could not only relieve the economic difficulties often faced by PRH households but also minimize certain costs associated with implementation in an on-and-off manner.

9. <u>DS(H)</u> replied that similar to the past measures to pay rent for public housing tenants, the proposed measure was one-off and was formulated upon taking into account various factors including external and internal economic conditions. Hence, regularizing the rent payment measure might not be appropriate. As stipulated under the Housing Ordinance (Cap. 283), HA conducted a PRH rent review every two years and adjusted the PRH rent according to the change in the income index for the relevant time period. As there was a 10% cap on the rate of rent increase and there was no floor in case of rent reduction, the HA's rent adjustment mechanism would help ensure that the rent would be affordable to tenants.

Implementation of the proposed measure

- 10. In view of the progress of the Finance Committee ("FC") in examining funding proposals, Mr Vincent CHENG and Mr LAU Kwok-fan expressed concern that it might take time before FC started to consider the rent payment proposal, and asked whether there were other measures to expedite its implementation. Mr LAU opined that HA and HS might consider bearing the cost for implementing the proposal and the Government would pay back the cost to them after obtaining the FC's approval. The Chairman was concerned about the time to be taken by the Administration to submit the proposal to FC, and the time required for its implementation after the FC's approval. DS(H) replied that after consulting the Panel, the Administration would submit the proposal to FC as soon as possible. The preparatory work for implementing the proposal would be done in advance where possible pending the funding approval. Subject to FC's approval, HA and HS would take about one month to one and a half months to implement the payment, and tenants would not need to apply for the payment.
- 11. <u>Ir Dr LO Wai-kwok</u> considered it appropriate for the Administration to introduce the proposal in view of the internal and external economic environment as well as the social circumstances in Hong Kong in the past few months, and expressed concern that if these situations persisted, more helping measures might be required. He asked about the administrative procedures and public monies involved in taking forward the proposal. <u>DS(H)</u> replied that the preparatory work such as computer system adjustment, verification of tenancy records and adjustment of auto payment with banks did not require significant cost, which would be absorbed through deployment of the Housing Department's existing resources.

Rent relief for tenants of carparks and other facilities in public housing estates

- Mr LAU Kwok-fan and the Chairman asked whether HA and HS would provide rent relief to their carpark tenants, including commercial vehicles' drivers, as they might be facing difficult economic circumstances. Mr Vincent CHENG and Mr WU Chi-wai raised a similar question. Mr CHENG suggested a rent remission for six months to such tenants. Mr WU opined that rent relief might help the carpark tenants concerned lower their business operating cost. DS(H) replied that HA had noted the measures announced by the Government on 22 October 2019 to assist the operators of fee-paying public carparks under the Lands Department ("LandsD"), the Government Property Agency ("GPA") and the Leisure and Cultural Services Department ("LCSD") by reducing the rental of such car parks by 50% for six HA was studying whether Government's measures would be applicable to its carparks, taking into account the difference in the mode of operation between HA's car parks and the public car parks under LandsD, GPA and LCSD. In response to Mr LAU's concern about the time taken to complete the study, DS(H) advised that the HA's relevant committee would consider as early as possible the outcome of the study after its completion. The Administration would relay Mr LAU's concern to HA. advised for members' information that HA had approved the rent reduction for its retail and factory tenants by 50% for six months with effect from 1 October 2019, at the same time as the Government's rent reduction measures for non-domestic tenants.
- 13. Mr Gary FAN opined that apart from the proposed measure, to help alleviate the living burden of PRH residents affected by the economic downturn, the Administration should also request Link Real Estate Investment Trust and other owners which hold HA's divested facilities to grant rent remission to tenants of such facilities. DS(H) replied that Mr FAN's views were noted and would be relayed to relevant authorities.

Rent of public rental housing estates after redevelopment

14. Mr KWOK Wai-keung opined that tenants affected by HS's Ming Wah Dai Ha ("MWDH") redevelopment had relayed to him that the rent they would pay after rehousing to newly built units of MWDH redevelopment in 2020 would be much higher than the rent of their existing units, and the proposal to pay one month's rent they currently paid would not have much effect in relieving their rental burden. He asked whether HS had taken into account tenants' affordability when determining the rent of rental units in redevelopment projects, and whether the Director of Housing, as a member of the HS's Supervisory Board, had given views on the HS's relevant policies. DS(H) replied that in determining the rent adjustments for its rental estates,

HS needed to consider the operating costs of these estates. As HS was an independent and non-government organization, the Government was not in a position to direct HS, but had made suggestions to HS on the need to carefully consider tenants' affordability when making rent adjustment decisions. Mr KWOK opined that the Administration should consider providing financial support for HS to carry out redevelopment for its rental estates, so as to eliminate the need for HS to transfer the cost of redevelopment to its tenants.

Motion

15. <u>The Chairman</u> referred members to the following motion, which he considered relevant to the agenda item –

Motion moved by Mr Vincent CHENG and seconded by Mr LAU Kwok-fan –

"鑒於運輸物流業的經營受到內外經濟及社會環境的影響,本事務委員會促請當局呼籲香港房屋委員會及香港房屋協會配合政府的紓困措施,向轄下停車場的租戶提供為期 6 個月百分之五十的和金減免。"

(Translation)

"Given that the operation of the transport and logistics industries is affected by internal and external economic environment as well as social circumstances, this Panel urges the authorities to appeal to the Hong Kong Housing Authority and the Hong Kong Housing Society, in order to tie in with the Government's relief measures, to grant a 50% rent remission for six months to their carpark tenants."

16. The Chairman ordered that the voting bell be rung for five minutes. The Chairman put to vote the question that the motion be proceeded with. 17 members voted for the question, no member voted against it or abstained from voting. The Chairman then put to vote the motion moved by Mr Vincent CHENG. 17 members voted in favour of the motion, no member voted against, and no member abstained from voting. 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)128/19-20(01) on 6 November 2019, and the Administration's response to the motion was issued to members vide LC Paper No. CB(1)235/19-20(01) on 9 December 2019.)

Concluding remarks

17. Concluding the discussion, <u>the Chairman</u> said that members supported the submission of the proposal to FC for consideration.

V. Proposed Funding Scheme to Support Transitional Housing Projects by Non-government Organizations

(LC Paper No. CB(1)67/19-20(04) — Administration's paper on proposed funding scheme to support transitional housing projects by non-government organizations

LC Paper No. CB(1)67/19-20(05) — Paper on transitional housing prepared by the Legislative Council Secretariat (background brief))

- 18. <u>Under Secretary for Transport and Housing</u> ("USTH") briefed members on the Administration's proposals in LC Paper No. CB(1)67/19-20(04) to create a non-recurrent commitment of \$5 billion for setting up a funding scheme to support transitional housing projects by non-government organizations ("NGOs") ("proposed funding scheme"), and one supernumerary Administrative Officer Staff Grade C ("AOSGC") (D2) post for five years up to 31 March 2025 ("the staffing proposal") to work under the task force on transitional housing ("the Task Force").
- 19. The Chairman reminded members that in accordance with Rule 83A of 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. He further drew members' attention to Rule 84 of the RoP on voting in case of direct pecuniary interest.

Roles and capabilities of non-government organizations in transitional housing projects

- 20. Mr LAU Kwok-fan opined that NGOs were all along not tasked with provision of housing, and might face difficulties in undertaking transitional housing projects on vacant land or in non-residential buildings. He queried whether the proposed funding scheme was an attempt by the Administration to shift the responsibility for attaining the objective of providing 10 000 transitional housing units within three years to NGOs. Ms CHAN Hoi-yan cast doubt on NGOs' possession of the professional capability to carry out the works required to make fit the sites/premises for transitional housing as listed in paragraph 8 of the Administration's paper. She and Mr LAU considered that the Administration should take up the construction of transitional housing whereas the daily operation of such housing might be undertaken by NGOs. In view that social workers should have made use of their experience and expertise to provide social services for needy people, Mr SHIU Ka-chun enquired whether the Administration would address squarely the concern that the NGOs' staff who were originally engaged in social work would continue to be pre-occupied with issues of housing management and maintenance owing to the need of participating in transitional housing projects. He further asked about the Administration's position regarding establishment of a social worker team specialized in transitional housing.
- 21. USTH replied that as a facilitator for the provision of transitional housing, the Administration had formulated measures to deal with obstacles that might affect such projects. In view that the required efforts and financial commitment in some transitional housing projects might go beyond NGOs' financial and technical capability, the Administration considered it appropriate to take a more proactive role in assisting these organizations, including the introduction of the proposed funding scheme. scheme, NGOs might make use of the funding allocated to their approved transitional housing projects to engage consultants to carry out the works as mentioned in paragraph 8 of the Administration's paper. With the policy objective to provide a total of 10 000 transitional housing units within the next three years, the Administration proposed to create the AOSGC post to oversee the administration of the scheme and provide policy support and overall supervision for the Task Force in facilitating transitional housing projects. He appealed to members' support for the two proposals.

Participation of statutory organizations in providing transitional housing

- Mr LAU Kwok-fan and Mr Vincent CHENG suggested that the Administration should invite HA, HS and the Urban Renewal Authority ("URA"), which had rich experience in housing construction, to provide transitional housing. Ms CHAN Hoi-van raised a similar suggestion. In view that the PRH production might be limited in coming few years, she asked whether HA would redeploy manpower to assist in constructing transitional USTH replied that the Administration encouraged multi-partite participation in transitional housing projects and would continue to consolidate the support of professionals from various disciplines for NGOs. If necessary, the Task Force would help NGOs to identify professional management services for their completed transitional housing projects. The Policy Address delivered in October 2019 had mentioned that URA, HS, Hong Kong Construction Association and other organizations would offer professional advice and project management support to community groups participating in transitional housing projects. To help shorten the waiting time for PRH, HA would continue to focus its resources on developing PRH and ensure the rational use of its existing PRH resources.
- 23. Ms Alice MAK declared that she was a non-executive director of URA. She opined that URA might consider making use of the residential buildings acquired under its projects and pending redevelopment for providing transitional housing, or providing technical assistance to support transitional housing projects. The Administration should discuss with URA ways of cooperation in these regards, and provide sufficient resources to support URA so that it would take on a larger role in the provision of transitional housing without affecting its progress in discharging its original mission of urban renewal.

Applications for funding under the proposed funding scheme

24. Ms Alice MAK was concerned that the procedures involved in making applications for transitional housing projects under the proposed funding scheme would be complicated and would take long. Mr KWOK Wai-keung expressed a similar concern. In view of the number of PRH waiting list applicants, Mr KWOK enquired whether the Administration would introduce special measures to expedite the supply of transitional housing. USTH replied that since its establishment, the Task Force had convened six interbureaux/departmental meetings to deliberate ways to resolve obstacles from the policy perspective that might affect transitional housing projects. On the premise that the building safety would not be compromised, the Task Force

would continue to explore ways to compress the relevant administrative procedures to facilitate the production of more transitional housing units. To expedite the application approval process, the Task Force would tentatively vet applications on a monthly basis.

25. Mr Andrew WAN opined that some transitional housing projects proposed by NGOs might not materialize in the end due to various reasons. With a view to encouraging more NGOs' participation in transitional housing projects, the Administration should consider how to deal with the claims for the recovery of the expense that had been incurred by such projects, such as the cost for initial assessment on a project's feasibility.

Funding approval for the proposals

26. Mr Vincent CHENG considered that transitional housing would help increase short-term housing supply. He asked whether the Administration would expedite the submission of the two proposals to the Establishment Subcommittee ("ESC")/FC after consulting the Panel, and whether before obtaining the FC's approval, the Administration would put in place interim measures for supporting NGOs financially to avoid delays in the implementation of their transitional housing projects. USTH replied that the Task Force had been assisting NGOs to apply for appropriate funding to facilitate the early commencement of various transitional housing projects, including the Home Affairs Bureau's Community Care Fund and the Development Bureau's Funding Scheme to Support Non-governmental Organizations for the Gainful Use of Vacant Government Sites. Before securing the FC's approval for the launch of the proposed funding scheme, the Task Force would continue to help identify funding sources to support the execution of transitional housing projects.

Levels of rent and operation details of transitional housing

27. Noting that the residents of transitional housing were mainly households waiting for PRH allocation and the rent levels of transitional housing units under the scheme would be determined based on the individual circumstances of each project, Mr Michael TIEN opined that the Administration should cap the rent at a certain percentage of the income ceiling of PRH households in order to ensure that these residents would not have excessive rental burden. USTH replied that some NGOs might provide units to families who were not PRH applicants but had a short-term need for transitional housing. The Administration considered it appropriate to allow flexibility for NGOs to set the rent levels of their transitional housing projects according to the specific target beneficiary groups and unique service

emphasis of such projects. Under the proposed funding scheme, the Task Force would consider the rent policies proposed by project proponents when vetting their applications. He advised that the levels of rent of existing transitional housing projects were below market levels and were not more than 29% of the household income. The rent of the unit allocated to a household receiving the Comprehensive Social Security Assistance Scheme would not be higher than the rent allowance under the scheme.

28. Mr Michael TIEN remained of the view that the Administration should impose a rental ceiling to ensure that transitional housing units would be suitable for needy households. Dr CHENG Chung-tai opined that when considering whether to move to transitional housing units, families had to take into account their rent levels. The Administration should make available information about the rent of transitional housing projects, and their comparison with the market rent in the districts concerned. Mr Andrew WAN opined that residents of transitional housing were mainly families living in unpleasant conditions and those waiting for PRH for a long time and they were unable to afford renting accommodations at market rent. To ensure that these needy families could afford to rent transitional housing units, the Administration should cap the rent of such units as suggested by Mr TIEN. He requested the Administration to provide a written response to the suggestion.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)235/19-20(01) on 9 December 2019.)

29. Ms Alice MAK opined that to facilitate monitoring and control of transitional housing projects, the Administration should provide more information about the projects listed in Annex I of the Administration's paper, such as the rent, household size of tenants, etc. Noting that under the proposed funding scheme, successful applicants would be required to sign a funding agreement with the Government setting out the rental level of a unit, tenancy period, basic eligibility criteria for the transitional housing, etc., Ms MAK asked whether the Administration would provide guidelines with respect to these parameters for NGOs' reference. USTH replied that the Administration noted members' views regarding the rent of transitional housing, and would explore whether the subject matter should be further studied. More details about the rent levels and operations of existing projects would be provided in the paper submitted to FC.

Length of tenancy of transitional housing

Mr Michael TIEN, Mr Andrew WAN and Mr KWOK Wai-keung sought clarification on the maximum duration of stay at the transitional housing units provided by NGOs, and the Administration's position regarding the subject matter. Mr WAN was concerned that if tenants were required to move out from their units upon expiry of a fixed tenancy period, such as two to four years, they might have to move back to sub-divided units or other inadequate housing while continuing to wait for PRH allocation. Mr KWOK opined that the three-year target of the supply of transitional housing set by the Administration might not be able to cope with the total number of PRH applicants on the Waiting List. The Administration needed to consider how to meet both the inadequately housed households' demand for moving to transitional housing and the existing tenants' aspiration to stay longer in such housing when waiting for PRH. USTH replied that the length of tenancy was generally two years. There were cases where upon expiry of the two-year tenancy, tenants of transitional housing had moved to PRH or had solved their housing problems through some assistance programs. Some NGOs which were providing transitional housing under multiple projects might make use of their resources flexibly to assist tenants with special needs.

Infrastructure and community services

Mr CHU Hoi-dick said that transitional housing might help address 31. shortage of public housing in short or medium-term. The proposal to provide 2 000 transitional housing units at Kong Ha Wai near Kam Sheung Road might bring a new population of about 5 000 to 6 000, representing about onethird or one-fourth of the existing population of the rural community concerned. As the supporting facilities for the community was limited, the Administration might need to provide more community services and supporting facilities, such as setting up a temporary market in the vicinity of Kam Sheung Road West Rail Station, to cater for the community needs. In view that to meet the three-year target of providing 10 000 units, the Administration might inevitably liaise with NGOs to undertake some largescale transitional housing projects, he considered it necessary for the Administration to address through inter-departmental working groups the demands for infrastructure and community services in communities brought by these projects. USTH took note of Mr CHU's views, and advised that the Administration would consider measures to relieve the pressure brought about by a transitional housing project on the supporting facilities of the community concerned, taking into account the views of the provider of the project.

Use of the approved funding

32. Mrs Regina IP asked about the breakdown of the financial subsidy for transitional housing units under the proposed funding scheme, being \$0.2 million and \$0.55 million each for projects situated in vacant residential buildings and units to be provided through erection of temporary structure on vacant land and in non-residential buildings, respectively. The breakdown should include the respective proportions that would be spent by NGOs on capital cost of constructing the transitional housing and on salaries/payments for their employees/personnel. The Chairman requested the Administration to provide supplementary information to address Mrs IP's enquiry.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)235/19-20(01) on 9 December 2019.)

Public rental housing

- 33. Mr Jeremy TAM asked why the Administration did not use the \$0.55 million for a transitional housing unit to produce PRH which was comparable to the cost of constructing a PRH unit. <u>USTH</u> replied that \$0.55 million was the maximum level of the financial subsidy for each unit to be provided through erection of temporary structure on vacant land and in non-residential buildings. The actual subsidy for a unit depended on the merits of the proposal submitted by the project applicant. Unlike PRH, transitional housing units could be re-used in future and hence had a longer expected lifespan.
- 34. In view that a developer had announced that it would lend a piece of land to an NGO for seven years for providing transitional housing, Mrs Regina IP suggested that the Administration should consider purchasing or resuming the land for providing PRH if the developer had no development plan for the land in future. USTH replied that the developer concerned had rented the plot of land at Kong Ha Wai to an NGO with \$1 for seven years for providing about 2 000 transitional housing units. After seven years, the developer might continue to rent the land to the NGO if there was no development plan for the land. The Chairman requested the Administration to supplement the reply to Mrs IP's suggestion later due to limit of time for this meeting.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)235/19-20(01) on 9 December 2019.)

Interim housing

35. Mr SHIU Ka-chun opined that the Administration should provide interim housing in New Territories East and West, Kowloon East and West and Hong Kong Island to accommodate persons affected by natural disasters or government clearance operations and should continue the operation of Shek Lei Interim Housing. He expressed dissatisfaction that the initiative of transitional housing had not touched upon issues in respect of interim housing. USTH replied that in contrast to interim housing, transitional housing was developed to improve the living environment of inadequately-housed families. The Administration believed that if there were land resources suitable for providing housing, they should be used for developing permanent housing, such as PRH, instead of interim housing which was not a long-term housing solution.

<u>Task Force on Transitional Housing</u>

36. Referring to the proposed organization structure of the Task Force under the staffing proposal, <u>Mr Jeremy TAM</u> enquired whether the Administration had previously set up any team which comprised a directorate official and was led by an Under Secretary in government bureaux. <u>USTH</u> replied that in the Transport and Housing Bureau, the Task Force was the only team headed by the Under Secretary, but regarding the organization structures of other bureau, he was not in a position to explain. <u>Mr TAM</u> remarked that he might follow up the matter at the relevant meeting of ESC/FC.

Motions

37. <u>The Chairman</u> referred members to the following motions proposed by Mr SHIU Ka-chun, Mr Michael TIEN, Mr CHU Hoi-dick, Mr Vincent CHENG and Mr Junius HO, which he considered relevant to the agenda item

Motion moved by Mr SHIU Ka-chun –

"近年政府凍結唯一在市區的石籬中轉房屋,不再編配居民入住。本事務委員會促請有關當局預留部分社會房屋單位作中轉房屋用途,並於五大區(新界東、新界西、九龍東、九龍西、香港島)增設中轉房屋單位作安置用途。"

(Translation)

"In recent years, the Government has withheld Shek Lei Interim Housing, the only interim housing in urban districts, from letting and no longer allocated its housing units to residents. This Panel urges the relevant authorities to reserve some social housing units for use as interim housing, and provide additional interim housing units in five major districts (New Territories East, New Territories West, Kowloon East, Kowloon West, Hong Kong Island) for rehousing purpose."

38. <u>The Chairman</u> put to vote the motion moved by Mr SHIU Ka-chun. 10 members voted in favour of the motion, no member voted against, and one member abstained from voting. <u>The Chairman</u> declared that the motion was carried.

Motion moved by Mr Michael TIEN -

"本事務委員會要求當局規範非政府機構過渡性房屋的租金上限 為公屋住戶收入上限的某個百分比,以免住戶的負擔過重及避 免過渡性房屋不同單位的租金差額太遠,減弱政策成效,令過 渡性房屋有名無實。"

(Translation)

"This Panel requests the authorities to cap the rent of transitional housing by non-government organizations at a certain percentage of the income ceiling of public housing households, so as to avoid excessive burden on households and substantial difference in rent among various transitional housing units, thereby undermining the effectiveness of policies and making transitional housing exists in name only."

39. <u>The Chairman</u> put to vote the motion moved by Mr Michael TIEN. 12 members voted in favour of the motion, no member voted against and no member abstained from voting. <u>The Chairman</u> declared that the motion was carried.

Motion moved by Mr CHU Hoi-dick –

"本事務委員會要求政府在委託非政府機構發展"大型過渡性房屋項目"的同時,必須考慮對現有社區的基礎建設及社區服務需求帶來的壓力,並由跨部門工作小組確保問題得以解決,才批准項目的撥款。"

(Translation)

"This Panel requests that the Government, while entrusting the development of "large-scale transitional housing projects" to non-government organizations, must take into account the pressure brought about by the demands for infrastructure and community services in the existing community, and that inter-departmental working groups should ensure that the problems will be solved before approving funding for the item."

40. <u>The Chairman</u> put to vote the motion moved by Mr CHU Hoi-dick. Eight members voted in favour of the motion, no member voted against and four members abstained from voting. <u>The Chairman</u> declared that the motion was carried.

Motion moved by Mr Vincent CHENG and seconded by Mr CHAN Hak-kan –

"非政府機構一般並非專職負責提供房屋,在協助政府籌備過渡性房屋上難免會遇上技術、財務及人手不足的困難;為此本事務委員會要求當局積極邀請香港房屋委員會、香港房屋協會及市區重建局參與籌建過渡性房屋,以確保 3 年提供一萬個過渡性房屋的目標能如期落實。"

(Translation)

"Given that non-government organizations ("NGOs"), in general, are not specially tasked with the provision of housing, it is inevitable for NGOs, in the course of assisting the Government in planning for the construction of transitional housing, to encounter technical, financial and understaffing problems; in this connection, this Panel calls on the authorities to actively engage the Hong Kong Housing Authority, the Hong Kong Housing Society and the Urban Renewal Authority to plan for the construction of transitional housing, with a view to ensuring that the objective of providing 10 000 transitional housing units within three years can be attained as scheduled."

41. <u>The Chairman</u> put to vote the motion moved by Mr Vincent CHENG. 11 members voted in favour of the motion, no member voted against and no member abstained from voting. <u>The Chairman</u> declared that the motion was carried.

<u>Action</u>

Motion moved by Mr Junius HO -

"在推動非政府機構過渡性房屋項目的資助計劃同時,政府應認 真考慮善用《收回土地條例》徵收新界北一帶農地用作臨時房 屋,以紓緩居住環境欠佳住戶的需要。"

(Translation)

"The Government, while implementing the funding scheme to support transitional housing projects by non-government organizations, should seriously consider making good use of the Lands Resumption Ordinance to acquire agricultural land in the areas of New Territories North for use as temporary housing, so as to relieve the needs of inadequately housed households."

42. <u>The Chairman</u> put to vote the motion moved by Mr Junius HO. Five members voted in favour of the motion, six members voted against and one member abstained from voting. <u>The Chairman</u> declared that the motion was negatived.

(*Post-meeting note*: The wording of the motions passed was issued to members vide LC Paper No. CB(1)128/19-20(02) to (05) on 6 November 2019, and the Administration's response to the motions was issued to members vide LC Paper No. CB(1)235/19-20(01) on 9 December 2019.)

Concluding remarks

43. Concluding the discussion, the Chairman said that members supported the submission of the proposal to create a non-recurrent commitment of \$5 billion for setting up the proposed funding scheme and the staffing proposal to FC and ESC respectively for consideration.

VI. Any other business

44. There being no other business, the meeting ended at 4:31 pm.

Council Business Division 1
Legislative Council Secretariat
30 December 2019