立法會 Legislative Council

LC Paper No. CB(1)1345/20-21 (These minutes have been seen by the Administration)

Ref: CB1/PS/1/20

Panel on Housing

Subcommittee on Issues Relating to Transitional Housing and Subdivided Units

Minutes of meeting held on Tuesday, 13 July 2021, at 10:45 am in Conference Room 2B of the Legislative Council Complex

Members present: Hon Vincent CHENG Wing-shun, MH, JP (Chairman)

Hon Wilson OR Chong-shing, MH (Deputy Chairman)

Hon Abraham SHEK Lai-him, GBS, JP

Hon SHIU Ka-fai, JP

Hon Tony TSE Wai-chuen, BBS, JP

Members absent: Hon Mrs Regina IP LAU Suk-yee, GBM, GBS, JP

Hon CHAN Han-pan, BBS, JP Hon LAU Kwok-fan, MH, JP Dr Hon CHENG Chung-tai

Public Officers attending

: Agenda Item I

Dr Raymond SO, BBS, JP

Under Secretary for Transport and Housing

Mr CHAN Nap-ming, BBS

Project Director (1)

Task Force on Transitional Housing

Transport and Housing Bureau

Mr Stephen WONG
Project Director (2)

Task Force on Transitional Housing Transport and Housing Bureau

Mr Victor FUNG

Senior Project Manager (2)B

Task Force on Transitional Housing

Transport and Housing Bureau

Clerk in attendance: Mr Derek LO

Chief Council Secretary (1)5

Staff in attendance : Mr Joey LO

Senior Council Secretary (1)8

Ms Michelle NIEN

Legislative Assistant (1)5

Action

I. Update on the progress of supplying transitional housing units

(LC Paper No. CB(1)1103/20-21(01) — Administration's paper on

update on the progress of supplying transitional

housing

LC Paper No. CB(1)1103/20-21(02) — Paper on transitional

housing prepared by the Legislative Council Secretariat (background

brief))

Discussion

The Subcommittee deliberated (index of proceedings in the Appendix).

Action - 3 -

Follow-up actions to be taken by the Administration

2. Regarding the 29 completed transitional housing projects operated by non-government organizations providing 1 305 units for over 1 500 families as mentioned in LC Paper No. CB(1)1103/20-21(01), the Administration was requested to provide information on the overall rent level of the units in these projects as a percentage of the average household income of the families concerned, in order to ascertain whether such rent level was affordable to the tenants concerned, and complied with the relevant policy intention of not exceeding 25% of the tenants' household income or the maximum level of rent allowance under the Comprehensive Social Security Assistance Scheme.

(*Post-meeting note:* The Administration's supplementary information was issued to members vide LC Paper No. CB(1)1186/20-21(02) on 6 August 2021.)

II. Any other business

3. There being no other business, the meeting ended at 11:45 am.

Council Business Division 1
<u>Legislative Council Secretariat</u>
17 September 2021

Panel on Housing

Subcommittee on Issues Relating to Transitional Housing and Subdivided Units

Proceedings of meeting on Tuesday, 13 July 2021, at 10:45 am in Conference Room 2B of the Legislative Council Complex

Time marker	Speaker	Subject(s)	Action required
Agenda ite	em I — Update o	n the progress of supplying transitional housing units	
000753 – 000903	Chairman	Opening remarks	
000904 – 001117	Chairman Administration	Briefing by the Administration on LC Paper No. CB(1)1103/20-21(01)	
001118 - 002019	Chairman Mr Wilson OR Administration	Mr OR Chong-sing made the following remarks/enquires — (a) transitional housing ("TH") was only an expedient measure to meet housing demand in the short term. In order to cater for the long-term demand for public housing, the Transport and Housing Bureau ("THB") would need to adopt a more proactive approach in identifying suitable land for public housing development. THB should work more closely with the Development Bureau ("DEVB") in this regard; (b) as the participation rate of the Pilot Scheme to Subsidise Using Rooms in Hotels and Guesthouses as Transitional Housing ("the Pilot Scheme") was less than satisfactory, the Administration should strive to remove policy barriers and provide incentives to the parties concerned to attract prospective participants to join the Pilot Scheme. For example, the Administration should draw experience from similar funding schemes, such as the Hong Kong Housing Society ("HS")'s Letting Scheme for Subsidised Sale Developments with Premium Unpaid ("the Letting Scheme"), in enhancing attractiveness to potential participants; (c) regarding the 29 completed TH projects providing 1 305 units for over 1 500 families operated by non-government organizations ("NGOs") mentioned in LC Paper CB(1)1103/20-21(01), what the overall rent level of the projects as a percentage of the average household income of the families concerned was; and whether such rent level complied with the relevant policy intention of not exceeding 25% of the household income; and	

Time marker	Speaker	Subject(s)	Action required
		(d) whether further policy barriers to TH development could be removed, including the relaxation of height/plot ratio restrictions of upcoming TH projects to allow the construction of more TH units on individual plots.	
		The Administration advised that –	
		(a) THB had been in close collaboration with DEVB on initiatives to increase housing and land supply. The Task Force on Transitional Housing ("TFTH") under THB had held a number of interdepartmental meetings with representatives from DEVB and other relevant government departments, thus enabling much preliminary work on TH projects to be undertaken in advance to speed up the project progress;	
		(b) as the Pilot Scheme was still in an experimental stage, NGOs and the industry were exploring the way ahead. In fact, encouraging progress had been made since the announcement of the Pilot Scheme in the 2020 Policy Address. THB's vetting committee had held three meetings and approved three project applications so far, involving a total funding of \$3.3 million and providing 271 units which were available for accommodation as early as July 2021. Meanwhile, more than 10 projects involving over 400 hotel/guesthouse units were currently under indepth deliberation;	
		(c) NGOs showed interest in providing TH under the Letting Scheme, and there was an NGO doing community housing under the Letting Scheme. The Administration had explored with the relevant NGOs the possibility of providing TH in units of subsidized sale developments with premium unpaid;	
		(d) over 1 500 families were able to benefit from the 29 completed TH projects providing 1 305 units due to turnover of the tenants. These included some families which were subsequently allocated with public rental housing ("PRH") units or had moved to other housing units with their own means;	
		(e) the overall rent level of the projects as a percentage	The

Time marker	Speaker	Subject(s)	Action required
		of the average household income of the families concerned was lower than 30%, but would sometimes be affected by variations in the tenants' monthly income. In such cases, the NGOs operating the projects would provide timely assistance to the tenants. In general, the benchmark rent level would in general not exceed 25% of the household income or the maximum level of rent allowance under the Comprehensive Social Security Assistance Scheme; and	Administration to follow up as per paragraph 2 of the minutes
		(f) the Administration would explore further room for removing policy barriers to TH supply, for example, by relaxing the height/plot ratio restrictions. In one of the projects under deliberation, the Administration was studying the feasibility of increasing the number of storeys if the soil bearing capacity was sufficient in order to optimize the utilization of land resources.	
002020 – 002713	Chairman Mr Tony TSE Administration	Mr Tony TSE said that — (a) the land identified for the provision of 15 000 TH units would not be sufficient to accommodate over the 200 000 households living in subdivided units ("SDUs"). The Administration should consider further raising the target of TH provision to over 15 000 units; and	
		(b) as past Government initiatives on wholesale conversion of industrial buildings ("IBs") into TH left much to be desired, the Administration should consider relaxing the relevant statutory requirements to facilitate interested parties to submit applications for such conversion projects.	
		The Administration advised that — (a) despite the fact that TFTH had identified sufficient land for the provision of 15 000 TH units, the target of 15 000 was not an ultimate one, and the Administration would not cease to identify further land for increasing TH supply; and	
		(b) although the definition of SDUs under the legislative proposal for tenancy control covered IBs, it was made clear that enforcement action against illegal domestic use in IBs would not be compromised. Nevertheless, the Administration would explore other options pragmatically to	

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		increase TH supply without compromising building safety.	
002714 – 003452	Chairman Administration	The Chairman made the following remarks/suggestions –	
		(a) the Administration should give priority to expediting the three TH projects providing the largest number of units, i.e. the Kong Ha Wai project and the United Court in Tung Tau, Yuen Long, and the Plover Cove project in Tai Po, in order to provide a significant number of units for the needy households;	
		(b) the provision of a significant number of TH units was necessary for accommodating existing SDU tenants who might face "pre-emptive" rent hikes by their landlords in anticipation of the implementation of tenancy control measures on SDUs in early 2022;	
		(c) the Administration should step up promotion of the relevant TH projects to the needy households, in particular the SDU tenants, well in advance; and	
		(d) the NGOs operating the relevant TH projects should be entrusted with the tasks of organizing and providing follow-up community services to help tenants adapt to the new environment, in particular for tenants of the more remotely located projects such as the Kong Ha Wai project in Yuen Long.	
		The Administration advised that –	
		(a) it had been reaching out to the public and promoting its work through various channels, notably on THB webpage, the Facebook page of THB;	
		(b) it had been monitoring the SDU market and so far did not notice a significant number of rent hike cases; and	
		(c) NGOs would invite submission of applications for residence in their TH projects well before the expected completion dates to allow sufficient time for SDU tenants to prepare for ending their existing tenancies.	
		The Administration would relay the Chairman's suggestion to the NGOs concerned, which were	

Time marker	Speaker	Subject(s)	Action required
		already required to provide adequate social support services to the tenants of their projects.	
003453 - 004029	Chairman Mr Wilson OR Administration	Mr Wilson OR made the following remarks/suggestions – (a) NGOs concerned should allocate a certain number of TH units to accommodate SDU tenants who were forced to move out of their units due to possible rent hikes by landlords in anticipation of the implementation of SDU tenancy control; and (b) the Administration should incorporate TH supply into the Long Term Housing Strategy as a component of the housing ladder. The Administration advised that — (a) the two main eligibility criteria for TH were that the tenants concerned had been on PRH waiting list for at least three years, and were living in inadequate housing. Every NGO concerned had the discretion to flexibly allocate 20% of the TH according to its organisation goals and corporate aims; (b) as the durations of individual TH projects varied, it was not appropriate to incorporate TH into the housing ladder; and (c) the current manpower establishment of TFTH would cover until 2024-2025, reflecting the Administration's long-term commitment to the provision of TH.	
004030 – 004608	Chairman Administration	The Chairman made the following remarks/suggestions – (a) the Administration should seriously consider Mr Wilson OR's suggestion of reserving units in TH projects which were close to completion and intake for SDU tenants who might be affected by the implementation of tenancy control measures; (b) THB should liaise closely with other government departments including the Fire Services Department and Buildings Department, etc., in	

Time marker	Speaker	Subject(s)	Action required
	Speaker	order to streamline the relevant procedures and remove policy barriers as far as possible; and (c) the Administration should strive to further raise the TH supply target in the 2021 Policy Address by, for example, identifying for the use of TH more government sites which were not leased or leased for a short term. The Administration advised that — (a) it would actively consider members' suggestion of reserving units in TH projects to cope with the demand changes arising from the implementation of tenancy control measures; (b) it had been making an effort at streamlining procedures to facilitate the completion of TH projects. For example, in the Sung Wong Toi Road project providing 110 units, much preliminary and streamlining work was undertaken to enable the project to be completed in about 200 days; and	
		(c) it would continue to provide as many TH units as possible by various means, for example, by converting vacant school premises and exploring opportunities for cooperation with private property owners.	
004609 – 005246	Chairman Mr Tony TSE Administration	Mr Tony TSE made the following remarks/suggestions (a) the Administration should lay down guidelines for NGOs to follow in respect of allocation of units, setting of rent, and rehousing service and arrangements for the tenants; and (b) he would support staffing proposals to increase the Administration's manpower resources for boosting TH supply.	
		The Administration advised that while it was desirable to provide guidelines to NGOs at the preliminary stage, NGOs would gather and share experience among themselves on preliminary work, selection of tenants, counseling well before the intake of their TH projects.	

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005247 - 005638	Chairman Mr Wilson OR Administration	Mr Wilson OR made the following remarks/suggestions – (a) the Administration should provide guidelines to NGOs on using the 20% quota at their discretion to cater for the SDU tenants who were affected by rent hikes resulting from the implementation of tenancy control; and (b) the Administration should explore housing resources from existing sources other than the Hong Kong Housing Authority and HS (i.e. housing estates earmarked for redevelopment but had yet to be demolished), such as the Urban Renewal Authority ("URA"), for use as TH. The Administration advised that – (a) NGOs were welcome to approach the Administration should they wish to have more flexibility in quotas for admitting tenants. The Administration would work out the best approach with the NGOs; and (b) URA had been participating in some TH projects to varying degrees, including drafting layout plans and offering preliminary consultancy services to NGOs. It also provided some existing premises for use in TH projects, including the Community Joy's To Gather project in Western District and the James' House project in Mongkok. The Chairman said that he and Mr Tony TSE were Non-Executive Directors of URA.	
005639 – 010242	Chairman Administration	The Chairman made the following remarks/suggestions — (a) relaying the views of the concern group "Concerning Grassroots' Housing Rights Alliance" on the Pilot Scheme on issues including the size of the units on offer, the Administration should further remove policy barriers to the Pilot Scheme and raise the success rate of matching among hotels/guesthouses and NGOs; (b) the Administration should consider setting up a centralized office/platform to coordinate the management of various TH projects; and	

Time marker	Speaker	Subject(s)	Action required
		(c) whether the functions of the Assessment Committee ("AC") of the Funding Scheme to Support Transitional Housing Projects by Nongovernment Organisations would be enhanced to cover other areas such as management and auditing.	
		The Administration advised that –	
		(a) it was aware of the concern group's views on the small size of the units and the lack of storage spaces. Based on the experience gained in the Pilot Scheme, NGOs had proposed solutions to certain problems, such as providing storage space in their premises for less regularly used items;	
		(b) regarding the matching arrangements, as hotels/guesthouse units were generally small in size, they tended to be more suitable for accommodating small families such as single parent or dual income families;	
		(c) the Pilot Scheme would be subject to monitoring under an audit scheme. The Administration would also provide regularly report to the Legislative Council to ensure prudent use of public resources and compliance with the policy intent; and	
		(d) AC consisted of six non-official members, including three representatives from different professional sectors, i.e. the Hong Kong Institution of Engineers, the Hong Kong Institute of Architects and the Hong Kong Institute of Surveyors; two representatives from the academia and one from the legal sector. The Administration would consider the Chairman's suggestion on expanding AC's functions.	
010243 -	Chairman	Mr Abraham SHEK declared that he had participated	
010348	Mr Abraham SHEK	in the United Court project in Yuen Long undertaken by Hong Kong Sheng Kung Hui Welfare Council Limited.	
	em II — Any othe	er business	
010349 –	Chairman	Closing remarks	

Time marker	Speaker	Subject(s)	Action required
010418			

Council Business Division 1 <u>Legislative Council Secretariat</u> 17 September 2021