

立法會
Legislative Council

LC Paper No. CB(1)790/20-21
(These minutes have been seen
by the Administration)

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Panel on Housing

Minutes of meeting
held on Monday, 1 March 2021, at 2:30 pm
in Conference Room 1 of the Legislative Council Complex

- Members present** : Hon Tommy CHEUNG Yu-yan, GBS, JP (Chairman)
Hon Wilson OR Chong-shing, MH (Deputy Chairman)
Hon Abraham SHEK Lai-him, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon CHAN Han-pan, BBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Hon Alice MAK Mei-kuen, BBS, JP
Hon KWOK Wai-keung, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon SHIU Ka-fai, JP
Hon YUNG Hoi-yan, JP
Hon CHEUNG Kwok-kwan, JP
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS, JP
- Members absent** : Hon WONG Kwok-kin, SBS, JP
Hon Michael TIEN Puk-sun, BBS, JP

Public Officers attending : Agenda Item III

Miss Agnes WONG, JP
Permanent Secretary for Transport and Housing
(Housing)

Mrs Alice CHEUNG, JP
Deputy Secretary for Transport and Housing
(Housing)

Miss Sandra LAM
Assistant Director (Strategic Planning)
Housing Department

Agenda Item IV

Dr Raymond SO, BBS, JP
Under Secretary for Transport and Housing

Mr Stephen WONG
Project Director (2)
Transport and Housing Bureau (Housing)

Ms Linda CHOY
Chief Executive Officer (Transitional Housing)
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

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I. Information papers issued since last meeting

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

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|---------------------------------|--|
| LC Paper No. CB(1)550/20-21(01) | — Land Registry Statistics for January 2021 provided by the Administration (press release) |
| LC Paper No. CB(1)572/20-21(01) | — Letter dated 5 February 2021 from the Chairman of the Tuen Mun District Council regarding the District Council's views on the public housing development at Tuen Mun Central and a motion passed by the District Council about the public housing development at east of Tuen Hing Road (Chinese version only) |

II. Items for discussion at the next meeting

- | | |
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| (LC Paper No. CB(1)610/20-21(01) | — List of follow-up actions |
| LC Paper No. CB(1)610/20-21(02) | — List of outstanding items for discussion) |

2. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 29 March 2021, at 2:30 pm –

- (a) Head 33 -- Proposed extension of one supernumerary Chief Engineer post in the Civil Engineering and Development Department for coping with workload arising from the public housing developments; and

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- (b) Head 711 project no. B810CL -- Site formation and infrastructure works for public housing development at Long Bin, Yuen Long.

(Post-meeting note: The notice of meeting and agenda were issued to members vide LC Paper No. CB(1)636/20-21 on 2 March 2021. At the request of the Administration, the aforesaid (a) was renamed to "Head 33 -- Creation of one supernumerary Chief Engineer post in the Civil Engineering and Development Department for coping with workload arising from public housing developments". Members were informed accordingly vide LC Paper No. CB(1)715/20-21 on 22 March 2021.)

III. Review of income and asset limits for public rental housing for 2021-22

(LC Paper No. CB(1)610/20-21(03) — Administration's paper on review of income and asset limits for public rental housing 2021-22

LC Paper No. CB(1)610/20-21(04) — Paper on income and asset limits for public rental housing prepared by the Legislative Council Secretariat (updated background brief)

3. Permanent Secretary for Transport and Housing (Housing) ("PS(H)") briefed members on the review of the income and asset limits for public rental housing ("PRH") for 2021/2022, with details set out in LC Paper No. CB(1)610/20-21(03). With the aid of PowerPoint, Assistant Director (Strategic Planning), Housing Department elaborated on the review mechanism and the proposed PRH income and asset limits for 2021/2022.

(Post-meeting note: Presentation materials (LC Paper No. CB(1)637/20-21(01)) for the item were issued to members on 2 March 2021 in electronic form.)

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Results of the review of income and asset limits for 2021/2022

4. Ir Dr LO Wai-kyok said that he supported the recommendations set out in LC Paper No. CB(1)610/20-21(03), i.e. to freeze the PRH asset limits at the existing levels for all household sizes and the income limits for households with three persons, four persons, six persons to 10 persons or above at the existing levels, and to increase the income limits for households with one person, two persons and five persons in accordance with the established mechanism. Mr LEUNG Che-cheung considered that the results of the review of the income and asset limits were reasonable. Mr KWOK Wai-keung expressed a similar view.

Mechanism for adjusting the income and asset limits

5. Ms Alice MAK reiterated her concern at previous Panel meetings that the existing review mechanism had not taken into account the situation where two-person households with two working members earning statutory minimum wage ("SMW") might need to work less and earn less income in order to remain eligible for PRH but by doing so they found it difficult to afford the cost of living in Hong Kong. Mr LAU Kwok-fan said that the household income of a four-person household with two working members might be similar to that of a two-person household with two working members, but there would be a difference of about \$10,000 between the income limits for these two households under the existing mechanism which adopted a household expenditure approach in deriving the income limits. He and Ms MAK asked whether the Administration/Hong Kong Housing Authority ("HA") would review the mechanism taking into account the aforesaid observations.

6. PS(H) replied that under the existing review mechanism, PRH income limits were derived using a household expenditure approach to objectively measure the total household income needed to rent private accommodation comparable to PRH while also meeting other non-housing expenditure. Households with income and assets below the prescribed limits were deemed to be low-income families who were unable to afford renting private accommodation, and hence were eligible for PRH. The proposed 2021/2022 income limit for two-person households derived under this mechanism was comparable to the median household income of two-person households in Hong Kong as at the fourth quarter of 2020, i.e. about \$20,000. As advised by the Administration at the Panel's previous meetings, SMW only stipulated the lowest hourly wage, and the actual income earned by individual households depended on various factors, such as the number of working

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members, as well as the number of working hours and working days. There would always be households whose income marginally exceeded the income limits regardless of the level of income limits. If HA deviated from the existing methodology and lifted the PRH income limits to cover more households, this would not be fair to the other PRH applicants and HA might also be unable to focus the limited and precious PRH resources on families with the most pressing needs. HA reviewed the existing mechanism from time to time having regard to members' views at the Panel's meetings. From 2011 (when the implementation of SMW commenced) to 2020, the cumulative increases in the nominal wage index (i.e. 39%) and PRH income limits (i.e. 67%) were both greater than the cumulative increase in SMW (i.e. 34%). This showed that the review mechanism had already included an element which reflected the impact of SMW on household income.

7. The Chairman said that there were cases where the two children in a four-person family possessed university qualifications but gave up higher-income jobs in order to ensure that their parents who had been waiting for PRH for years would remain eligible for PRH. In view that HA should provide PRH for needy elderly whereas young people should develop their careers, he suggested that the Administration/HA should consider whether the parents in such cases would be allowed to stay in the present positions on the PRH waiting list even if their household sizes had reduced from four to three or two because the children could find jobs and make their own accommodation arrangements.

Non-housing costs in determining household expenditure

8. Dr CHENG Chung-tai enquired whether the Administration/HA would review the existing mechanism which adjusted the non-housing costs with reference to the movements in the Consumer Price Index (A)(excluding housing costs) and might hence underestimate the households' cost of living in Hong Kong which had entered into stagflation. He further said that the non-housing costs determined in the review for the 2021/2022 income and asset limits might not reflect the latest situation as the calculation was based on the 2014/2015 Household Expenditure Survey ("HES") released in April 2016, and enquired whether HA would consider making reference to more recent surveys.

9. PS(H) replied that the Census and Statistics Department ("C&SD") conducted HES every five years and the latest HES completed by the department was the HES 2014/15 released in 2016. To reflect changes in income before the HES results were updated, apart from making reference to the latest HES, the existing review mechanism also adjusted the non-housing

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costs by the latest movement in the Consumer Price Index(A)(excluding housing costs), or the change in the nominal wage index as the income factor, whichever was higher. In the review for 2021/2022, as the yearly change in nominal wage index (i.e. +1%) was higher than the yearly change in Consumer Price Index(A)(excluding housing costs) as at the fourth quarter of 2020 (i.e. - 1.1%), the higher increase in nominal wage index had been adopted to adjust the non-housing costs obtained from HES. PS(H) explained that the change in nominal wage index was a suitable yardstick to gauge changes in income of the PRH target group because it covered occupational groups at non-managerial/professional levels (e.g. technical, clerical, service workers and craftsmen) who were most likely to be the potential applicants for PRH.

10. In response to the Chairman's enquiry on whether there were more updated survey results for determining non-housing costs in the next year review for the PRH income and asset limits for 2022/2023, PS(H) advised that C&SD was updating the HES and the Administration/HA would make reference to the updated results once available in future reviews of income and asset limits.

Contingency provision for determining income limits

11. Mr Wilson OR opined that the public might have diverse views on the review mechanism, and it was important for the Administration/HA to ensure that the income and asset limits were assessed objectively under the mechanism. In view that the income limits for different household sizes were the respective sums of the housing and non-housing costs, plus a contingency provision of 5% of household expenditure, and HA had reviewed the proportion of contingency provision to household expenditure in 2002, he asked whether HA would give consideration to the suggestion raised at the Panel's previous meetings that such proportion should increase.

12. PS(H) replied that HA recognized the need of households to set aside part of their income as "contingency money". To reflect this "contingency money" in the income limits in the absence of official assessment of household savings rate in Hong Kong, apart from adopting 5% of household expenditure as the contingency provision, the established method of assessing non-housing expenditure under the review mechanism had already covered some non-essential items, such as alcoholic drinks, tobacco, beauty treatment, tours, etc. Moreover, the industries covered under the nominal wage index also covered those whose workers were potential PRH applicants, such as security services, cleaning services, retail trade, restaurants, estate management, etc. As PRH resources were limited, HA needed to put in place

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a set of objective criteria to assess the eligibility of PRH applicants. Increasing the contingency provision in the calculation of PRH income limits might result in an increase in the number of eligible PRH applicants and make HA unable to focus the PRH resources on assisting households with the most pressing needs, hence HA needed to consider such suggestion carefully.

Measures to shorten the waiting time for public rental housing

13. Mr LAU Kwok-fan expressed concern about problem of inadequate PRH supply and the long waiting time for general PRH applicants. Noting that the Administration had proved able to complete projects for building temporary quarantine facilities quickly, he asked whether the Government would provide necessary support for relevant non-government organizations ("NGOs") to enable them to complete their transitional housing projects within a similarly short timeframe. The Chairman enquired on how the initiative of subsidizing the provision of transitional housing using rooms in hotels and guesthouses would help increase the supply of such housing.

14. PS(H) replied that the Administration had set the target of providing a total of 15 000 transitional housing units within the three years from 2020-2021 to 2022-2023, and had been providing support to relevant NGOs for implementing transitional housing projects. The Administration had sought the approval from the Commission of Poverty for funding from the Community Care Fund to implement a pilot scheme to subsidize the provision of transitional housing using suitable rooms in hotels and guesthouses with relatively low occupancy rates through NGOs. It was tentatively estimated that the funding of the pilot scheme would provide about 800 rooms. The Administration would continue to communicate with hotels and guesthouses operators/owners who were interested in participating in the pilot scheme.

Number of public rental housing applicants

15. Mr KWOK Wai-keung enquired whether the Administration had assessed the increase in the number of PRH applicants and the family size of these applicants, taking into account the proposed income and asset limits and the adverse economic conditions. PS(H) replied that as mentioned in LC Paper No. CB(1)610/20-21(03), the Administration was unable to estimate the number of additional households who would apply for PRH due to the new income and asset limits under the proposal. By analyzing only the income level based on the results of C&SD's General Household Survey as at the fourth quarter of 2020, some 164 400 non-owner occupier households living in private housing would meet the new income criterion. In

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comparison with the existing income limits, about 700 more non-owner occupier households living in private housing would meet the proposed income limits for 2021/2022. As regards the family size of these households, the Administration was unable to make such an estimate.

16. Mr KWOK Wai-keung opined that the public housing production had lagged behind the supply target over years. He expressed concern whether it was practicable for the Government to continue the implementation of the Cash Allowance Trial Scheme to provide cash allowance to eligible PRH applicants if the number of PRH applicants and their waiting time continue to increase due to limited PRH supply. He asked about the ways to shorten the PRH waiting time.

17. PS(H) replied that the Government had identified 330 hectares of land which could provide 316 000 public housing units. The Transport and Housing Bureau ("THB") had been closely liaising with relevant bureaux/departments to carry out the advance works at these land sites as early as possible. The time taken to complete such works would be subject to the smooth completion of relevant procedures, such as statutory rezoning, land resumption, clearance, etc. In the first five years from 2020-2021, the target supply of public housing was about 95 200 units, about 70% of which would be PRH. Apart from new PRH units, there were on average about 8 000 to 9 000 recovered PRH units annually for re-allocation to PRH applicants. To further speed up the public housing supply, HA had adopted various measures, such as increasing domestic plot ratio for suitable public housing sites where technically feasible and subject to obtaining the Town Planning Board's agreement, conducting studies for redeveloping HA's factory estates and clearing Shek Lei Interim Housing for PRH development, etc. Mr KWOK Wai-keung said that the Administration/HA needed to produce at least 30 000 PRH units annually to meet the demand of PRH applicants, and the Administration's estimated supply of about 70 000 PRH units over the coming five years was inadequate.

18. Mr SHIU Ka-fai asked about the number of cases where grown-up children had moved out of their PRH units but the household concerned had not requested HA to delete the name of their children from the PRH tenancy. He was concerned that these cases might give rise to the problem of under-occupation in PRH estates and inefficient use of PRH resources. PS(H) replied that she had no information about the figure requested by Mr SHIU. HA had set up a special team to conduct random checks on suspected tenancy abuse cases, including those related to the occupancy situation of PRH tenants. In cases where breaches of tenancy agreement were found, termination of the PRH tenancy would be considered. Mr SHIU Ka-fai

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remained concern about the number of such random checks each year and the proportion of PRH units to be checked. He said that he might follow up the matter on other suitable occasions.

Ascertaining the eligibility of public rental housing applicants

19. Mr Wilson OR considered it important to expedite the administrative procedures involved in the housing development at PRH sites in order to alleviate the problem of long waiting time for PRH. As it was important for HA to have a better grasp of the actual PRH demand, he asked whether HA would conduct exercises to look into the updated situation of the applicants waiting for PRH with a view to assessing the number of those who no longer met the eligibility requirements.

20. PS(H) replied that as at end-December 2020, there were about 153 900 general applications for PRH, and about 99 500 non-elderly one-person applications under the Quota and Points System ("QPS"). HA conducted regular exercises to review whether the QPS applicants' eligibility had changed during the waiting period of PRH allocations due to changes in their family status, income and assets. As regards general PRH applicants, their eligibility could be ascertained during the detailed vetting stage shortly before flat allocation. Before the detailed vetting, HA would also conduct random checks on PRH applications and this would help review the eligibility of the applicants. As random checks might cause disturbance to the applicants if they were performed too frequently, HA had all along given careful consideration on the number of random checks that should be conducted.

21. Mr SHIU Ka-fai opined that to simplify the procedures for checking whether the PRH applicants were still eligible for PRH, HA should consider requesting these applicants to update information relating to their applications (such as their income and assets) and provide relevant documentary proof on a regular basis through a HA's information system. PS(H) replied that while HA performed random checks on PRH applications, PRH applicants were also obliged to report any changes in personal particulars including income and assets to HA after submitting their applications. HA would take appropriate follow-up actions regarding cases of PRH applicants failing to report changes in their personal particulars without a reasonable explanation.

Calculation of assets of elderly applicants for public rental housing

22. Mr LEUNG Che-cheung opined that the current mechanism for calculation of assets of PRH applicants, which was conceived many years ago, had not taken into account the introduction of Mandatory Provident

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Fund ("MPF") in 2000. For elderly PRH applicants, if the lump sum amount that they could withdraw from their MPF was also taken into account in calculating their assets, it might exceed the PRH asset limits and they might become ineligible for PRH as a result.

23. PS(H) replied that HA had set the asset limits for elderly applicants, i.e. aged 60 or over, at two times the limits for non-elderly applicants. If HA lifted the income or asset limits further, the number of PRH applicants who would meet the limits might further increase amid the tight PRH supply and this might undermine the purpose of focusing the limited PRH resources on assisting families with the most pressing needs. Mr LEUNG Che-cheung remained of the view that the asset limit for such elderly applicants might still be lower than the amount that they could withdraw from their MPF upon retirement, and HA should review and make appropriate changes to the relevant mechanism.

24. The Chairman opined that as the PRH waiting time was long, some persons who were originally eligible to apply for PRH when submitting the application might become ineligible due to changes during the waiting period. There were cases where some elderly PRH applicants might arrange their personal savings to be kept by their children in order to ensure that their assets would not exceed the asset limits, but the children might not give the money back to their parents afterwards. He suggested that the Administration/HA should look into the difficult situation faced by these elderly PRH applicants when conducting relevant reviews.

Treatment of insurance schemes, etc. in calculating applicants' assets

25. Given that HA included the cash value of insurance schemes in calculating PRH applicants' assets and the PRH waiting time was long, Ms Alice MAK noted that the assets of some applicants might have grown over time to exceed the asset limits, rendering them ineligible for PRH. She called on the Administration/HA to consider this issue when conducting relevant reviews, taking into account the problem of the ageing population and the public need for retirement protection in Hong Kong. She suggested that public annuity schemes such as the Hong Kong Mortgage Corporation's Annuity Plan should be excluded from the calculation of assets of PRH applicants. PS(H) replied that under the existing practice, HA treated insurance schemes as assets, taking into consideration that many investment-linked insurance schemes with cash value were in essence investment products. The Administration had taken note of members' views that the mechanism for deriving the asset limits should take better account of the aging population in society, and would consider the matter.

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26. In response to Mr Wilson OR's request, PS(H) advised that the Administration would provide supplementary information on whether HA would exclude from the calculation of PRH applicants' assets the loan under the "Special 100% Loan Guarantee for Individuals Scheme", which was proposed by the Financial Secretary in the Budget speech delivered on 24 February 2021.

(Post-meeting note: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)703/20-21(01) on 19 March 2021.)

Impact of the pandemic

27. Mr LAU Kwok-fan said that many people who were in the Mainland during the pandemic might not be able to return to Hong Kong timely to deal with matters related to their PRH units, such as paying rent. He enquired whether HA would adopt a flexible approach in handling cases of rent arrears involving its tenants. The Chairman asked how HA would handle the cases mentioned by Mr LAU Kwok-fan where the tenants who returned from the Mainland needed to undergo quarantine under the relevant regulations of the Prevention and Control of Disease Ordinance (Cap. 599). PS(H) replied that HA and the Housing Department all along adopted a flexible approach in handling cases similar to those mentioned by Mr LAU and the Chairman, and would exercise discretion in considering a tenant's request based on individual merits of the case and the justifications provided by the tenant.

(Post-meeting note: In its letter (issued to members vide LC Paper No. CB(1)703/20-21(01) on 19 March 2021), the Administration advised that members' views on the findings of the review of PRH income and asset limits for 2021-2022 had been relayed to the Subsidised Housing Committee ("SHC") under HA. SHC endorsed on 15 March 2021 the new income and asset limits for 2021-2022, which came into effect on 1 April 2021.)

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IV. Creation of a supernumerary Administrative Officer Staff Grade C (AOSGC) (D2) post in the Housing Department

(LC Paper No. CB(1)610/20-21(05) — Administration's paper on creation of a supernumerary Administrative Officer Staff Grade C (AOSGC) (D2) post in the Housing Department

LC Paper No. CB(1)54/20-21(04) — Paper on transitional housing prepared by the Legislative Council Secretariat (background brief))

28. Under Secretary for Transport and Housing ("USTH") briefed members on the Administration's proposal in LC Paper No. CB(1)610/20-21(05) to create a supernumerary Administrative Officer Staff Grade C ("AOSGC") (D2) post in the Housing Department to work under THB with immediate effect on the date of approval of the Finance Committee up to 31 March 2025 ("the staffing proposal").

Justifications for the proposal

29. Mr Wilson OR expressed support for and commendation on THB's work in taking forward transitional housing. He enquired how the proposed post creation would enhance coordination among parties concerned in supporting NGOs' development of transitional housing and how far the proposal would help speed up the development process. USTH replied that the Task Force on Transitional Housing ("TFTH") had all along communicated with relevant bureaux/departments and provided support to NGOs in various aspects. With the creation of the proposed post, TFTH would be able to undertake the additional work related to transitional housing initiatives. The holder of the post would supervise TFTH and play a key role in steering and co-ordinating efforts both among different teams of TFTH, as well as liaising with other relevant bureaux/departments in order to facilitate the implementation of transitional housing projects in a smooth manner. The new post would also assist NGOs in their discussions with various stakeholders and in determining framework of the transitional housing projects.

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30. In response to Mr Wilson OR's enquiry on whether the Administration could redeploy its existing staff resources to cater for the increasing workload arising from the initiative on transitional housing, if the staffing proposal was not approved, USTH replied that the capacity of TFTH had been stretched to its limit and the Head of TFTH required a deputy to perform further duties at directorate level arising from the implementation of the initiative. The proposal to create the AOSGC post would help resolve such bottleneck and ensure the progress of the TFTH's work.

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31. Mr Wilson OR said that his political affiliation supported the submission of the staffing proposal to the Establishment Subcommittee ("ESC") for consideration. Given the fiscal deficit faced by the Government and the financial implications of the staffing proposal, the Administration should give an account of the benefits that could be achieved by the creation of the proposed post. He requested the Administration to provide supplementary information on how the proposal would enhance the work related to transitional housing, such as how far the proposal would increase the efficiency/advance the completion of such work. The Chairman suggested that the supplementary information might include details about how far the proposal would speed up the land supply for transitional housing and the construction/development processes of such housing. Ms YUNG Hoi-yan supported the submission of the proposal to ESC. She asked about the value-for-money assessment of the proposal and how the proposal would bring benefits to the households waiting for PRH. USTH replied that the Administration would provide supplementary information as requested by Mr Wilson OR.

32. Ms Alice MAK said that in face of the fiscal deficit of the Government, the public were concerned on how the Administration would exercise prudence in the use of public funds and avoid unnecessary government expenditure. Taking into account the importance of land development and housing supply initiatives to address the housing problems faced by members of the public, her political affiliation considered it necessary to support the relevant work of the Government and hence support the submission of the staffing proposal to ESC for consideration. She asked how far the creation of the proposed post would enhance the effectiveness of the initiative on transitional housing, and whether TFTH would have sufficient manpower to handle its work upon approval of the proposal.

33. USTH replied that TFTH would work more effectively if more manpower resources could be allocated to it. In working out the staffing proposal, the Administration had taken into account the current tight fiscal

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situation. He advised that the holder of the proposed post would be responsible for supervising the work of TFTH in facilitating the transitional housing projects by NGOs, overseeing the development of policy on transitional housing and providing high-level liaison among relevant bureaux/departments to resolve planning, land, infrastructural and environmental issues in the applications for temporary change of use for land, etc. Through creation of the proposed post and the continued efforts in optimizing the use of existing manpower resources, TFTH would be able to speed up the work related to transitional housing.

34. Dr Junius HO said that he did not support the submission of the staffing proposal to ESC. He opined that the Administration should be prudent in making use of the public resources for creating new posts in view of the fiscal deficit of the Government. He queried the need for creating a new post to oversee the NGOs' implementation of transitional housing projects, given that the Funding Scheme to Support Transitional Housing Projects by NGOs ("the Funding Scheme") had been providing substantial financial support for NGOs to carry out such projects and these NGOs were obliged to report the relevant progress to the Administration. He considered it practicable for an existing Deputy Secretary in THB to take up the duties of the proposed post.

35. USTH replied that to increase the supply of different types of transitional housing, the Administration considered it appropriate to encourage more NGOs to participate in transitional housing projects, including projects under the pilot scheme to subsidize the provision of transitional housing using suitable rooms in hotels and guesthouses. The Funding Scheme was reimbursement-based and would subsidize NGOs to carry out the works required to make fit the potential sites/premises for their transitional housing projects on a one-off basis. NGOs would be allowed to use only a small proportion of the funding, i.e. 0.14% to 0.4% and subject to the specified ceiling amount, on administrative overheads for the implementation of their projects before the tenants moved in. After tenants moved in, the NGO concerned had to make use of its own rental income for paying the expenses incurred in relation to the operation of its transitional housing, including provision of social services to the tenants.

36. The Chairman said that his political affiliation did not see any particular reason to oppose the staffing proposal, but believed that given the existing number of posts in the relevant government department, the Administration should be able to identify redundant posts for deletion simultaneously to help ensure value for money in the use of public resources. In view of Dr Junius HO's concern over the staffing proposal, Ms Alice MAK

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suggested that the Administration should explain more clearly to members the duties of the proposed post and the reasons why organizations other than the Government could not perform such duties. The Chairman opined that if the Administration submitted the proposal to ESC for consideration, it should get prepared for addressing members' concerns.

Responsibilities of the proposed post

37. Ir Dr LO Wai-kwok supported the submission of the staffing proposal to ESC. He enquired about the responsibilities of the Head of TFTH and the proposed AOSGC post, i.e. the Deputy Head of TFTH. USTH replied that the Deputy Head of TFTH would assist the Head of TFTH to lead and supervise the staff in TFTH and oversee the TFTH's daily operation, whereas the Head of TFTH would focus on the development of policy on transitional housing from a more macro perspective.

38. Mr Vincent CHENG expressed his understanding of the Administration's need to create the proposed post and supported in principle the staffing proposal. He suggested that the Administration should provide more information about the benefits of the proposal for members' further consideration. Apart from identifying land for providing the 15 000 transitional housing units, the Administration should also strive to complete the construction of such units in order to meet the supply target. He hoped that with the creation of the proposed post, there would be more effective co-ordination among high level officials of relevant bureaux/departments to resolve obstacles from the policy perspective that might affect the progress of providing transitional housing, and the Administration would meet the expectation for more active and direct participation by the Government in the construction of transitional housing. TFTH should also ensure that the information about the transitional housing units available for intake of residents, including their locations, the eligibility criteria for applicants for renting them and the application procedures, etc. would be disseminated in a more open, transparent and complete manner and equally accessible to inadequately-housed households. Ms YUNG Hoi-yan hoped that the creation of the proposed post would help speed up the completion of the process for identifying suitable land for providing all the transitional units required to meet the supply target.

39. USTH replied that the creation of the proposed post would significantly enhance the cooperation between relevant bureaux/departments in expediting the implementation of transitional housing projects. The Administration would continue to step up the work for providing targeted beneficiary-households with sufficient and transparent information about the

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transitional housing units available for application and intake. The Government had already identified land for the provision of about 14 000 transitional housing units, and was confident to identify by the first half of 2021 the land required for providing the remaining about 1 000 units. To meet the target of completing 15 000 transitional housing units within three years up to end of March 2023, the Administration would strive for early completion of the transitional housing projects on such land and consider ways to encourage and support more NGOs to participate in such projects.

40. In response to Ms Alice MAK's enquiry on whether apart from the Urban Renewal Authority ("URA"), the Administration would liaise with more similar organizations to support and help speed up the work for taking forward transitional housing projects, USTH advised that the Administration/TFTH had all along co-operated with different organizations, such as the Hong Kong Construction Association, URA, etc., to support NGOs to complete the transitional housing projects earlier. URA had been providing professional support for NGOs at initial stage of works of their projects.

41. Ms YUNG Hoi-yan opined that the Administration/TFTH should pay heed to local concerns on transitional housing proposals, such as the number of residents to be accommodated, the supporting facilities to be provided, etc. She suggested that the responsibilities of the proposed post should include maintaining liaison with communities at district level, including the households waiting for transitional housing. USTH replied that the holder of the proposed post might carry out duties other than the six main duties mentioned in Annex 1 to LC Paper No. CB(1)610/20-21(05). In light of Ms YUNG's suggestion, the Administration would consider how the holder of the proposed post and TFTH could foster liaison with the local community and stakeholders. The Chairman remarked that the Administration/TFTH might consider seeking views from individual members regarding the district organizations that might be contacted.

Use of land sites for transitional housing and public housing

42. Ir Dr LO Wai-kwok reiterated his suggestion at previous Panel's meetings that since transitional housing was temporary in nature and public housing would address the housing needs in the long term, land sites that were suitable for providing permanent public housing should be used for providing public housing instead of transitional housing. USTH replied that when vetting a transitional housing proposal, the Administration would assess the permitted uses of the land site concerned. There were cases where a land site originally identified for transitional housing development was,

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upon review, used directly for public housing development, and there were also examples in using temporarily vacant public housing sites for providing transitional housing before the scheduled commencement of the public housing development project.

Concluding remarks

43. Concluding the discussion, the Chairman said that members, except Dr Junius HO, supported the submission of the proposal to ESC for consideration.

V. Any other business

44. There being no other business, the meeting ended at 4:10 pm.

Council Business Division 1
Legislative Council Secretariat
14 April 2021