

立法會

Legislative Council

LC Paper No. CB(1)880/2022

Ref : CB1/PL/HG

Report of the Panel on Housing for submission to the Legislative Council

Purpose

This paper gives an account of the work of the Panel on Housing (“the Panel”) during the 2022 Legislative Council session. It will be tabled at the meeting of the Council on 14 December 2022 in accordance with Rule 77(14) of the Rules of Procedure of the Council.

The Panel

2. The Panel was formed by a resolution passed by the Council on 8 July 1998 and as amended on 20 December 2000, 9 October 2002, 11 July 2007, 2 July 2008 and 26 October 2022 for the purpose of monitoring and examining Government policies and issues of public concern relating to private and public housing matters. The terms of reference of the Panel are in **Appendix 1**.

3. The Panel comprises 19 members, with Ir Dr Hon LO Wai-kwok¹ and Hon LEUNG Man-kwong elected as Chairman and Deputy Chairman respectively. The membership list of the Panel is in **Appendix 2**.

Major work

Housing-related initiatives in the 2022 Policy Address

4. The Panel received a briefing by the Secretary for Housing on the ongoing housing-related initiatives in the 2022 Policy Address at its meeting on 7 November 2022.

¹ Hon Alice MAK Mei-kuen was the Chairman of the Panel from 25 January 2022 to 18 June 2022. At the Panel meeting on 8 August 2022, Ir Dr Hon LO Wai-kwok was elected the Chairman of the Panel.

Light Public Housing

5. Members in general welcomed the introduction of Light Public Housing (“LPH”), which they considered could ease the hardship of inadequately-housed households, and appreciated the Government’s commitment to increase the supply of public rental housing (“PRH”) units. They enquired about measures to optimize the housing resources of LPH and transitional housing, including modifying the eligibility criteria for transitional housing projects, and changes in subdivided unit (“SDU”) rental market following the introduction of LPH.

6. The Administration advised that LPH would mainly cater for those who had waited for traditional PRH for three years or more, and priority would be given to family applicants. Given the long waiting list of PRH applicants, it was a consensus that the housing needs of underprivileged families and elderly should be accorded priority. Prospective applicants for transitional housing/LPH projects might prefer some districts over others due to various reasons. Transitional housing units operated by non-government organizations (“NGOs”) could provide eligible applicants with more options. With the increased supply of public housing, the introduction of LPH, and the implementation of transitional housing projects and SDU tenancy control under Part IVA of the Landlord and Tenant (Consolidation) Ordinance (Cap. 7), inadequate housing and substandard SDUs charging exorbitant rent would eventually be driven out of the SDU rental market

Redevelopment of aged public rental housing estates

7. Members urged the Administration to take more proactive measures in redeveloping PRH estates considering that some aged PRH estates were quite dilapidated and repairing them was no longer cost-effective. They enquired about the extent to which it was feasible to rehouse PRH tenants in the same estate or district upon redevelopment of aged PRH estates as doing so could reduce the inconvenience caused to the affected residents, hence enhancing their “sense of well-being”.

8. The Administration advised that redevelopment of aged PRH estates entailed reservation of units in other PRH estates for rehousing affected PRH residents, which otherwise could be allocated to PRH applicants on the waiting list. In some previous redevelopment projects, the number of PRH flats available after the redevelopment was smaller than the original number of flats. The Hong Kong Housing Authority (“HA”) would give due consideration to the four basic principles, namely, structural conditions of buildings, cost-effectiveness of repair works, availability of

suitable rehousing resources in the vicinity of the estates to be redeveloped, and build-back potential upon redevelopment, in selecting the PRH estate for the study. Tenants affected by redevelopment would be rehoused to estates within the same district as far as practicable, subject to availability of resources.

Expediting public housing construction

9. The Panel discussed HA's Modular Integrated Construction ("MiC") Projects, Design and Build procurement and other measures to expedite public housing construction at its meeting on 6 June 2022.

Effectiveness of MiC in expediting public housing construction

10. Members enquired about the effectiveness of MiC in further shortening the construction period and the feasibility for HA/the Housing Department ("HD") to take over the site formation works from the Civil Engineering and Development Department ("CEDD") so as to compress the implementation timetable for public housing development projects.

11. The Administration advised that adopting MiC might shorten the delivery time of public housing projects by about two months. CEDD was an expert in site formation works while HD focused at foundation and superstructure construction. Therefore, in general, site formation works by CEDD would be more efficient than that by HD. For large-scale site formation works, CEDD would complete the site formation works in phases and subsequently hand over the formed sites to HA for foundation and superstructure construction so as to shorten the overall construction time. To expedite land development and public housing construction, the Development Bureau ("DEVB") had been drawing up proposals to streamline the development process, and targeted to submit legislative amendments for these proposals in the latter half of 2022.

Construction timetable of public housing projects

12. Members enquired about the reasons for the lengthening of completion time for foundation and building works of public housing to about 48 to 60 months, compared with pre-2000 timeframe of 37 months.

13. The Administration advised that the estimated construction timeframe of 37 months was based on the assumptions of a standard public housing block of 40 domestic storeys built directly on the ground without podium, and on a straightforward site with simple piled foundation. While it generally took about four to five years to complete the construction works

of a public housing project, the actual timeframe would depend on the development parameters and particulars of individual sites. More time would be required if complicated ground conditions were involved.

Transitional housing

14. The Panel received a briefing on the Annual Report on Approved Applications and Implementation Progress of Projects under the Funding Scheme to Support Transitional Housing Projects by Non-government Organisations at its meeting on 6 June 2022.

Supply of transitional housing units

15. Keen on the ways to alleviate the difficulty faced by SDU tenants, members enquired about the room for providing more transitional housing units than the number that the Administration had promised and in particular, whether more transitional housing units could be provided in urban areas. They commented that SDU tenants in urban areas were reluctant to move into some transitional housing projects in rural areas due to their remoteness and weak transport network.

16. The Administration remarked that given the territory-wide distribution of SDUs in Hong Kong, the Administration considered it essential to provide transitional housing units in urban as well as rural areas. There were transitional housing projects in all districts except Lantau Island and outlying islands. It was more feasible to implement transitional housing projects at a larger scale in the New Territories where there were more vacant sites. The Task Force on Transitional Housing had been liaising with DEVB to identify idle Government sites in urban areas that were suitable for provision of transitional housing units. Noting the concerns about the remoteness and the transport networks of some transitional housing projects, the Administration had been collaborating with various bureaux/departments and organizations to enhance the transport and community facilities in the service areas of transitional housing projects.

Community facilities and social services in transitional housing projects

17. Members enquired about the details of social services provided by NGOs operating transitional housing projects, supporting measures taken by the Administration to enhance the NGOs' effectiveness in operating the projects, as well as complaint handling mechanism relating to the operation of the projects. Members suggested that the Administration improve the transport networks and provide more retail facilities, including wet markets, for tenants of transitional housing projects in remote areas.

18. The Administration remarked that when launching transitional housing projects, the NGOs also provided services according to their missions. With services such as daytime child care and employment support services, transitional housing projects would benefit the local community by enhancing its social capital. The relevant bureaux/departments and operating organizations of transitional housing projects would organize webinars or workshops for experience sharing. The Administration advised that for large-scale transitional housing projects, such as Pok Oi Kong Ha Wai Village (Phase I), necessary transport network improvement measures would be taken and space for provision of retail facilities would be made available to meet the daily shopping and commuting needs of the tenants.

2022 Rent Review of Public Rental Housing

19. The Panel discussed the 2022 Rent Review of Public Rental Housing at the meeting on 8 August 2022.

Providing further rent waiver

20. Members considered that in order to ease the financial burden of PRH tenants under the pandemic, HA should either extend the rent waiver period to 24 months or conduct a review after implementing the special relief measure for 12 months, so as to consider if it was necessary to offer further rent waiver to PRH tenants. Some other members considered that despite the mild rent increase, HA's provision of a special relief measure of 12 months would set a bad precedent. The arrangement was equivalent to a delay in rent adjustment, which would render it difficult for HA to comply with the established mechanism to adjust rent in future.

21. The Administration pointed out that the upward adjustment of 1.17% in rent, with an average increase of \$26 per PRH household per month (ranging from \$5 to a maximum of \$66) over the two-year period, was mild. 4% of tenants were "well-off tenants" who should be able to afford the rent increase. Apart from the 14% Comprehensive Social Security Assistance households whose rent was covered by the Government, the monthly rent increase for more than 60% of the remaining PRH households would only be \$30 or less. The proposed special relief measure had taken into consideration the totality of impact on the tenants due to the rent increase over the two-year period, and had balanced the impact on PRH tenants and HA's financial health. The Administration considered the special relief measure sufficient for easing the pressure of rent adjustment on PRH tenants.

Reviewing the rent adjustment mechanism

22. Members considered that under the current uncertain economic outlook, the fact that HA still increased the rent in accordance with the mechanism for two consecutive times showed that the income data were time-lagged and the mechanism lacked flexibility. HA should consider reviewing the prevailing rent adjustment mechanism to take into account factors such as tenants' living expenses and inflation, in order to reflect the expenditures and PRH tenants' ability to afford in a more timely and holistic manner. There were also views that the mechanism should allow more flexibility for HA to decide whether or not to adjust the rent in accordance with the review outcome.

23. The Administration advised that the existing rent adjustment mechanism was the outcome of extensive and long public discussions. HA conducted the Review on Domestic Rent Policy from 2001 to 2006, including a three-month public consultation. During the process, detailed consideration was given to various adjustment methods, and it was eventually considered that PRH rent adjustment based on tenants' household income could best reflect tenants' ability to afford. Actual experience showed that the current rent adjustment mechanism based on tenants' income had achieved the intended objective of the legislation when it was enacted in 2007, by consistently and objectively ensuring PRH tenants' ability to afford.

Implementation of the Total Maintenance Scheme

24. The Panel discussed the implementation of the Total Maintenance Scheme ("TMS") at the meeting on 4 April 2022.

Quality of works

25. Members expressed concern about the quality of works carried out under TMS and sought details about the effectiveness of the quality assurance mechanism adopted by HA/HD.

26. The Administration explained that HA monitored contractors' performance closely, including the routine inspections, surprise checks and regular assessments. Frontline staff were instructed to inspect all critical stages of some complicated repair works and inspect randomly other relatively minor repair works, while the supervisors would conduct surprise checks. If irregularities in contractors' performance were found, HA would instruct the contractor to rectify the situation until the standards required by HA were met. If the contractor still failed to make improvements, HA would issue warning letters to them. The contractors' performance would

be reflected in contract score, which would impact on their future prospect of securing works contracts from the Administration under the Preferential Tender Award System.

Drainage Inspection Programme

27. Members noted that among the units accessed under the Drainage Inspection Programme, about 10% of the units had made unacceptable alteration to HA's standard water closets. They enquired about measures to enhance the access rate to the remaining 340 000 flats among the 800 000 flats to be inspected under the programme.

28. The Administration advised that among the units accessed, about 4% of the drainage pipes had minor defects which were repaired immediately. For those flats which could not be successfully accessed and inspected, the Administration would leave notices to tenants concerned for them to make arrangement for inspection. To accommodate tenants who were not available during daytime, the Administration might arrange to inspect the units outside office hours.

Hong Kong Housing Authority's measures in facilitating tenants with special needs

29. The Panel discussed the measures to facilitate the mobility needs of elderly residents taken by HA at the meeting on 3 October 2022.

Tenants with special mobility needs

30. Members enquired about the criteria for transfer of elderly tenants with special mobility needs living in PRH estates without barrier-free access facilities to other PRH estates with such facilities in the same district; and the assistance to wheelchair users and the elderly tenants in using refuse rooms.

31. The Administration advised that under the Lift Modernisation Programme, HA added lift door openings in PRH buildings for floors, where the building structure permitted. Adding lift door openings for the top floors of some buildings was not feasible as there was insufficient space in the machine room. Tenants with special mobility needs living on floors without lift services could apply for transfer to other units in the same estate or other estates. Other means were available for collecting refuse in PRH estates to facilitate these tenants, including through the refuse bins located in lift lobbies. Special arrangement could also be made with the estate management office for alternative means of refuse disposal.

Estate welfare and community facilities

32. Members sought information about the criteria and process for providing the types of welfare facilities in PRH estates, in particular HA's role in the design and usage of youth services centres, and monitoring their cost efficiency.

33. The Administration advised that HD liaised with the relevant departments, including Social Welfare Department ("SWD") and the Planning Department, during the design stage of public housing development and reference was made to the requirements under the Hong Kong Planning Standards and Guidelines ("HKPSG"). General community facilities were provided on the basis of population size, while the needs of government departments and local factors would also be taken into account in providing district-based facilities, thus ensuring an adequate provision of a wide range of community facilities for the local community. HKPSG also set down the standard for provision of "local open space" and children's playgrounds. SWD would ascertain the facilities available within a certain district to determine further types of facilities to be provided.

Use of non-domestic premises of the Hong Kong Housing Authority

34. The Panel received a briefing on the latest situation of the use of non-domestic premises of HA at its meeting on 8 August 2022.

Redevelopment of factory estates

35. Members enquired about the overall progress of the redevelopment of the four HA's factory estates, i.e. Yip On Factory Estate in Kowloon Bay ("Yip On"), Sui Fai Factory Estate in Fo Tan ("Sui Fai"), Wang Cheong Factory Estate in Cheung Sha Wan ("Wang Cheong") and Kwai On Factory Estate in Kwai Chung ("Kwai On"), and asked whether the judicial review against the draft Kwai Chung Outline Zoning Plan, which covered the site of Kwai On, would delay the delivery of the public housing project at that site.

36. The Administration advised that the Government had in the fourth quarter of 2021 commenced the rezoning process for the three sites at Sui Fai, Yip On and Wang Cheong for public housing development. For the site at Kwai On, rezoning process was anticipated to commence in the third to fourth quarter of 2022. Apart from rezoning of the sites, HA would also need to demolish the buildings upon completion of the clearance and to arrange decontamination of the sites before they could be made ready for building construction. To expedite the redevelopment process, HA had

taken forward the clearance of the four factory estates in tandem with the rezoning process and detailed design of the projects. The public housing developments at these sites would be delivered around 2031.

Electric vehicle charging facilities

37. Members enquired about the operation details of HA's private car parking spaces equipped with electric vehicle ("EV") chargers or charging-enabling facilities ("EV parking spaces") and the feasibility for providing some EV parking spaces in all HA's carparks.

38. The Administration advised that the current parking fees for EV and non-EV parking spaces were the same, and their levels were subject to annual review by HA's Commercial Properties Committee. In line with general market practice and the arrangements for government carparks currently, EV drivers using hourly EV parking spaces in HA's carparks would not be required to pay the electricity charges. For monthly EV parking spaces, users were required to apply with power companies for a separate electricity meter for the EV charger and settle the electricity bills direct under the user-pays principle. HA planned to increase the number of EV parking spaces to about 50% of its stock of private car parking spaces by 2030. However, the plan would depend on the latest Government policy, utilization of the charging facilities installed and technological development.

Performance of the environmental targets and initiatives of the Hong Kong Housing Authority in 2021-2022

39. The Panel discussed the performance of the environmental targets and initiatives of HA at its meeting on 3 October 2022.

Food waste recovery and recycling

40. Considering that HA had a better position than its private sector counterparts in implementing food waste recovery and recycling, members enquired about HA's action plans, if any, for setting targets on food waste recovery at its estates and why, in comparison with a food waste recycling trial scheme in 14 PRH estates launched between 2012 and 2014 ("the 2012-2014 trial scheme"), HA scaled back similar exercises now.

41. The Administration advised that HA had been collaborating with the Environmental Protection Department ("EPD") in implementing food waste recovery exercises in recent years, including the launching of the Pilot Scheme on Food Waste Collection in 2018. In December 2021, HA collaborated with EPD in launching a four-month trial of using smart

recycling bins to collect food waste at Lin Tsui Estate, Chai Wan where the smart bins were connected to EPD's GREEN\$ reward system and gifts could be redeemed using GREEN\$ points as an incentive. The trial project had good result. HA would take forward similar trial schemes in collaboration with EPD at four PRH estates in late 2022 covering some 20 domestic blocks. HA noted that there had been hygiene issues during the 2012-2014 trial scheme and had taken into account the experience in previous exercises in launching subsequent food waste recovery trial schemes.

Monitoring contractors/service providers

42. Members enquired about HA's mechanism for monitoring its contractors/service providers to ensure that they handled the recyclables (including household food waste) collected properly.

43. The Administration advised that HA required contractors who collected recyclables in its PRH estates to record and report on a monthly basis the quantities of recyclables recovered and how the recyclables were handled, including the name of the collection and recycling plants to which the recyclables were delivered. Close collaboration of EPD's contractors, who were tasked with conveying the food waste collected to O·PARK1 for downstream processing, was essential for effective implementation of food waste recovery and recycling schemes.

Other issues

44. The Panel has scheduled a meeting for 5 December 2022 to discuss LPH and three Public Works Programme items on site formation and infrastructure works for public housing developments located in Fanling, Tsuen Wan and Tai Po, respectively. During the session, the Panel was consulted on the following Public Works Programme items:

- (a) public transport interchange and associated road improvement works in Lam Tin; and
- (b) site formation and infrastructure works for public housing developments located in Yuen Long, Fanling and Kennedy Town.

Subcommittee on Issues Relating to the Improvement of Living Conditions of the Grass-roots Tenants

45. The Subcommittee on Issues Relating to the Improvement of Living Conditions of the Grass-roots Tenants was formed under the Panel to review the implementation of the Government's policies and measures to improve the living conditions of grass-roots tenants, monitor the works progress of transitional housing projects, and make recommendations on issues relating to the improvement of living conditions of grass-roots tenants. Since commencing work in May 2022 to November 2022, the Subcommittee has held 3 meetings.

Meetings held

46. During the period between January 2022 and November 2022, the Panel held a total of 8 meetings.

Council Business Division 1 and Public Complaints Office
Legislative Council Secretariat
5 December 2022

Legislative Council

Panel on Housing

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to private and public housing.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy areas prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

Panel on Housing

Membership list for 2022 session *

Chairman Ir Dr Hon LO Wai-kwok, GBS, MH, JP

Deputy Chairman Hon LEUNG Man-kwong, MH

Members Hon Starry LEE Wai-king, GBS, JP
Hon Michael TIEN Puk-sun, BBS, JP
Hon LAU Kwok-fan, MH, JP
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS, JP
Hon Doreen KONG Yuk-foon
Hon Dominic LEE Tsz-king
Ir Hon LEE Chun-keung
Hon Stanley NG Chau-pei, SBS
Dr Hon David LAM Tzit-yuen
Hon LAM So-wai
Dr Hon Wendy HONG Wen
Hon Kenneth LEUNG Yuk-wai, JP
Hon CHAN Hok-fung, MH, JP
Hon Benson LUK Hon-man
Dr Hon Stephen WONG Yuen-shan
Hon Louis LOONG Hon-biu

Total: 19 members

Clerk Mr Derek LO

Legal Adviser Ms Vanessa CHENG

* Changes in membership are shown in Annex.

Annex to Appendix 2

Panel on Housing

Changes in membership

Member	Relevant date
Hon Alice MAK Mei-kuen, BBS, JP	Up to 18 June 2022

For **changes in LegCo Membership**, please refer to the link below:

(<https://www.legco.gov.hk/en/members/legco-members/changes-in-legco-membership.html>)