

THE HONG KONG HOUSING AUTHORITY

Memorandum for the Finance Committee

Leasing of Premises in Private Sector for Housing Information Centres

PURPOSE

To seek Members' approval to negotiate and conclude the lease of private premises in Hong Kong West and Tsuen Wan districts for setting up of Housing Information Centres (HICs).

BACKGROUND

2. The HIC Scheme was first introduced in September 1992 in Wanchai and Mongkok District Offices. In April 1994, a third HIC was set up in Tsuen Wan District Office. These HICs provide comprehensive advisory service to residents affected by private redevelopment and to applicants for public rental housing and Home Ownership Scheme flats.

3. In view of the growing popularity of the services rendered by HICs and the need to provide an Elderly Information Desk at each of the HIC as recommended by the Ad Hoc Committee on Housing for the Elderly, it is necessary to relocate the HICs to larger and independent ground floor premises. As endorsed vide Paper No. EFC 77/94, Wanchai and Mongkok HICs were moved to private premises on 1.3.95 and 3.8.95 respectively. After relocation and deployment of one more Housing Officer (HO) in these HICs, additional out-reaching services have been provided, details in **Annex A**.

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4. As endorsed vide Paper No. EFC 111/95, the Hung Hom HIC has been established on G/F., 32 Tak Man Street, Hung Hom with effect from 5.6.96. The Shamshuipo HIC has also been set up in Shop C, G/F, 80-82 Cheung Sha Wan Road, Shamshuipo since 11 July this year. In addition, the Hung Hom and Shamshuipo HICs have extended the working hours to 8:00 pm on every Monday.

5. The monthly average number of enquiries in each of three HICs established in private premises is about 3,100. Comparing with 2,700 for the Tsuen Wan HIC which is still attached to the Tsuen Wan District Office, the number of enquiries handled by independent HIC is about 13% more than that of HIC attached to District Office.

6. Oath service relating to public housing matters is provided at all HICs. About 180 oaths are executed each month and the number is expected to increase as more applicants, mostly new immigrant families, will make use of such service.

PROPOSED EXPANSION

7. The Department has decided to set up more HICs in districts with a high concentration of elderly population and old private tenements in order to provide better service to the target groups. Based on information obtained from Rating and Valuation Department and Census and Statistics Department at **Annexes B(i) & (ii)**, Hong Kong West and Tsuen Wan districts where we have no independent HIC are areas with a high density of old buildings and elderly population.

PROPOSAL

8. We propose to set up an HIC in Hong Kong West district and to relocate the Tsuen Wan HIC which is at present attached to District Office to an independent private premises in 1997/98. Suitable ground floor premises of around 50M² IFA in private buildings with rentals not exceeding \$85,000 per month for a 3-year lease will be identified for the purpose.

9. Each new HIC will be manned by three HOs and one Contract General Clerk. It will be provided with an interview booth, an Elderly Information Desk and two computer terminals. The fitting out cost including furniture is estimated to be around \$1,000,000 for each HIC.

10. To facilitate prompt action on leasing suitable premises, we propose that authority be delegated to Business Director/Allocation and Marketing to approve the leasing and fitting out of the premises subject to the following conditions -

- (a) the monthly rental for each centre not to exceed \$85,000 for a term of not less than 3 years;
- (b) the deposit be not more than three months' rental;
- (c) an agency fee not to exceed one month's rental; and
- (d) fitting out costs including furniture for one centre not to exceed \$1,000,000.

FINANCIAL IMPLICATION

11. The staff cost will be around \$1.3 M per year for each new HIC. The cost of fitting-out and servicing an office of about 50M² is in the order of \$1 M while the overhead cost for the proposed extension of HIC Scheme would be in the region of about \$1.9 M per annum. Funds are available in the 1997/98 budget for this purpose.

PRESUMPTION

12. It is not thought that Members will object to the proposal in paragraph 10 above. If no objection or request for discussion is received by the Committees' Secretary **by noon on 15 August 1997**, Members' approval will be presumed and appropriate action taken.

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c.c. Members of the Management and Operations Committee
(for Information)

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Date : 1 August 1997