

## **THE HONG KONG HOUSING AUTHORITY**

### **Memorandum for the Housing Authority**

#### **Proposed Revised Terms of Reference for the Home Ownership Committee and Rental Housing Committee**

#### **PURPOSE**

This paper seeks Members' approval to the proposed revised terms of reference (TOR) of the Home Ownership Committee (HOC) and Rental Housing Committee (RHC).

#### **BACKGROUND**

2. As part of the reform initiatives under the Management Enhancement Programme, Members considered the proposed TOR for the Housing Authority (HA) and its Committees vide Paper No. HA 61/97 at the meeting of HA on 25 September 1997.

3. At the meeting, Members endorsed the proposed TOR for HA and its Committees, but also put forward some suggestions for further refinement of the TOR for the Department's consideration. These included -

- (a) investment in research and development is an important element to support the HA to achieve its strategic objectives. There may be a role for Strategic Planning Committee (SPC) to coordinate and prioritize research and development initiatives of HA;

- (b) it is arguable whether there is a need for a business plan and separate financial targets, service standards and performance measures for building and construction which is better described as a service deliverer to the other core businesses than being a business itself generating income;
- (c) the TOR of HOC should include the authority to specify the ratio between Green Form and White Form applicants for the sale of flats of the Home Ownership Scheme and Private Sector Participation Scheme and to determine the sale arrangements in the secondary market for these flats; and
- (d) RHC should be explicitly authorised to administer policies affecting the eligibility criteria of existing tenants, e.g. the Housing Subsidy Policy and Policy on Safeguarding Rational Allocation of Public Housing Resources.

4. Having carefully considered Members' comments, it is proposed to revise the TORs of HOC and RHC to take into account the suggestions in paragraph 3(c) and (d) above. As regards the comments in paragraph 3(a) and (b), the Department does not consider that they warrant any further changes to the TOR because -

- (a) research and development form an integral part of the on-going activities of the Committees, e.g. the business process re-engineering initiatives. As such it is not considered necessary to specifically highlight these activities in TOR of any individual committee; and
- (b) HA is the major developer of public housing in Hong Kong. Construction activities encompass various aspects of and account for a major operation of HA. In view of the heavy production schedule ahead to meet the Government's housing targets, it is considered necessary to maintain construction as a separate business operation so that a separate business plan is developed, allowing the monitoring of performance yardsticks relating to this business. The TOR has already reflected the role of BC in assisting other core businesses in achieving their business targets.

## PROPOSAL

- 5. The proposed revised TOR for HOC and RHC are at **Annex**. The relevant amendments are shown in italics.

## RECOMMENDATION

6. It is recommended that the proposed revised TOR at **Annex** be approved.

## PRESUMPTION

7. It is not thought that Members will object to the recommendation in paragraph 5 above. If no objection or request for discussion is received by the Committees' Secretary **by noon on 13 November 1997**, Members' endorsement will be presumed.

---00---00---00----

c.c. Members of the Home Ownership Committee  
Members of the Rental Housing Committee

File Ref: HA/SAO/A1/16  
HA/COM/2/9

Date : 30 October 1997