

<b>Doc Type</b>	HA
<b>Paper No</b>	54/95
<b>Title</b>	Secretary's Report - Committee Work (June - August 1995)
<b>CONTENTS</b>	<p>HA 54/95</p> <p>THE HONG KONG HOUSING AUTHORITY</p> <p>Memorandum for the Housing Authority</p> <p>Secretary's Report - Committee Work (June - August 1995)</p> <p>PURPOSE</p> <p>This paper summarises the work of the Housing Authority's Committees during the period from 1 June 1995 to 31 August 1995 and is issued for Members' information.</p> <p>(1) BUILDING COMMITTEE</p> <p>Housing Authority Contracts Approved</p> <p>2. During the period of this report, 33 contracts were approved. Contracts awarded during this period totalled \$2,210.2M.</p> <p>Client Briefs, Control Plans, Project Estimates, Scheme Designs and Project Budgets (Papers No. BC 96/95, BC 97/95, BC 99/95, BC 100/95, BC 101/95, BC 102/95, BC 119/95, BC 120/95, BC 121/95, BC 122/95, BC 123/95, BC 124/95, BC 125/95, BC 143/95 and BC 144/95)</p> <p>3. During the period of the report, the Committee considered and approved, as appropriate, the proposed/revised Client Brief, Scheme Design, Control Plan, Project Estimate, Scheme Design, Project Budget for -</p> <p>(a) Public Housing for Small Households at Lai Yiu Estate Infill Site</p> <p>(b) Wan Tsui Estate Redevelopment (Home Ownership Scheme)</p> <p>(c) Redevelopment of Tsz Wan Shan</p> <p>(d) Redevelopment of Tsz Oi Estate Phase 3</p> <p>(e) Redevelopment of Tsz On Estate Phase 2</p> <p>(f) Redevelopment of Yau Tong Estate Phase 1</p> <p>(g) Redevelopment of Pak Tin Estate Phase 4</p> <p>(h) Redevelopment of Shek Lei Estate Phases 7 and 9 (Part) - District Open Space, Kwai Chung, New Territories</p> <p>(i) Redevelopment of Shek Yam Estate</p> <p>(j) Tong Ming Court at Tseung Kwan O Area 57</p> <p>(k) Wo Ming Court, Tseung Kwan O Area 34/44 Phase 3</p> <p>(l) Fanling Area 49A</p> <p>(m) Mongkok West Public Rental Housing Estate</p> <p>(n) HOS Development at Tsing Yi Area 8</p> <p>(o) Redevelopment of Hung Hom Estate Phase 1</p> <p>Monthly Progress Report - May to July 1995 (Papers No. BC 104/95, BC 130/95 and BC 150/95)</p> <p>4. As at the end of July 1995, a total of 89,637 rental and Home Ownership Scheme (HOS) flats were under construction; and for the year 1995/96 a total of 5,415 rental and HOS flats were completed.</p> <p>Others</p> <p>Maintenance and Repair Programme (Situation Report as at June 1995) (Paper No. BC 103/95)</p> <p>5. Members noted the situation report on the progress of some of the major maintenance and improvement programmes.</p> <p>Term Traffic Engineering Consultancy (1996/99) (Paper No. BC 126/95)</p> <p>6. Members approved the proposal to employ term traffic engineering consultants with environmental sub-consultants for a period of three months with effect from 1 April 1996, subject to a fee ceiling of \$36M.</p>

Proposed System for Selection of Architectural Consultants for Housing Authority Projects  
(Paper No. BC 127/95)

7. Members endorsed the Department's proposal regarding the new system for selection of architectural consultants.

Half-yearly Situation Report on Lift and Escalator Maintenance (December 1994 - May 1995)  
(Paper No. BC 129/95)

8. Members noted the report.

Establishment of Approved List of Materials Testing Laboratories and Appointment of Laboratories for Materials Testing Services (95-97)  
(Paper No. BC 145/95)

9. Members approved -

(a) the establishment of the Approved List of Housing Authority Materials Testing Laboratories;

(b) the appointment of the laboratories in the Active List within the Approved List to provide materials testing services from September 1995 to August 1997; and

(c) amendments to the Rules as proposed in the paper.

Housing Authority's List of Specialist Consultants for Leakage Assessment of Buried Water Carrying Services  
(Paper No. BC 146/95)

10. Members approved placing a number of consulting firms on the Authority's list of Specialist Consultants for Leakage Assessment of Buried Water Carrying Services.

Civil Engineering Contracts - Extension of Time for Inclement Weather  
(Paper No. BC 147/95)

11. Members approved the recommendation that all future civil engineering tenders were to allow for extensions of time (EOT) for inclement weather, but disallowing loss and expense claims from such EOTs.

Industrial Safety in Hong Kong  
(Paper No. BC 148/95)

12. Members gave their views on the "Consultation Paper on the Review of Industrial Safety in Hong Kong" and noted the Department's comments.

Building Surveying Consultants  
(Paper No. BC 149/95)

13. Members approved that -

(a) a Housing Authority List of Building Surveying Consultants be established;

(b) a number of firms and their associated firms as appropriate be included in the list;

(c) the list be open for new applications; and

(d) certification to ISO 9001 be a listing requirement within two years of the formal establishment of the list.

Kwai Chung Estate and Special Repair Programme for Older Housing Blocks  
(Papers No. BC 110/95 and BC 128/95)

14. Members noted the structural condition of Kwai Chung Estate and the actions taken after the spalling failure in Flat No. 701 at Block 17 of the Estate. Members also endorsed a proposal to roll out the first Special Repair Programme for older housing estates and the related staffing resources and financial implications.

Bugs Infestation at Yu Ming Court

15. Members discussed the incident of bugs infestation in Tseung Kwan O and noted the actions taken by the Department.

Briefing on Tung Chung Development

16. Members noted the details of the development at Tung Chung new town as reported in the briefing conducted by Project Manager, Hong Kong Island and Islands Development Office of the Territory Development Department.

Fire Engine Access Route in Public Housing Estates

17. Members were given a brief account of the situation surrounding the fire incident at Yue Wan Estate. Members also noted the fire prevention and fire fighting facilities currently adopted in new housing estates and the improvements to fire safety measures for the older estates.

## (2) MANAGEMENT AND OPERATIONS COMMITTEE

Domestic Rents for New Estates  
(Paper No. MOC 54/95)

18. Members approved the rents for 10,850 flats in seven new estates which are expected to be completed during the period from October 1995 to March 1996 as follows -

District	Estate	Approved Inclusive Rent \$/sq.m.
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Urban	Lok Fu Ph. 6 ) Tsz Ching ) (Redevelopment of ) Tsz Oi Estate Ph. 2 ) Sau Mau Ping (III) Ph. 3 ) Tsui Ping Ph. 6 )	53.2
Kwai Chung	Shek Yam East Ph. 1 ) Kwai Fong Ph. 4 )	51.3
Tseung Kwan	O Ming Tak Ph. 1	46.5

19. Members also approved that the best rent levels for all districts be revised, as set out below -  
Current Best Rent Approved

Inclusive District	\$/sq.m.	Rent \$/sq.m.
Urban	51.2	53.2
Shatin/Tsuen Wan/Kwai Chung	49.3	51.3
Tsing Yi/Tai Po/Tseung Kwan O/Ma On Shan	47.7	46.5
Fanling/Sheung Shui	36.2	37.6
Yuen Long/Tuen Mun	31.9	33.2
Tin Shui Wai	29.3	30.5
Islands	29.3	30.5
Converted Blocks (Urban)	34.1	35.5
Converted Blocks (Tsuen Wan/Kwai Chung)	32.6	33.9

Rent Review of Post-1973 Estates  
(Paper No. MOC 55/95)

20. Members approved the review of domestic rents for 222,107 flats in 87 Post-1973 estates and endorsed the following proposed increase -

\$6.4/sq.m. for Urban Areas  
\$5.9/sq.m. for Shatin/Tsuen Wan/Kwai Chung  
\$5.3/sq.m. for Tsing Yi/Tai Po/Tseung Kwan O/Ma On Shan  
\$4.8/sq.m. for Fanling/Sheung Shui  
\$4.3/sq.m. for Tuen Mun/Yuen Long  
\$4.3/sq.m. for Tin Shui Wai  
\$3.2/sq.m. for Islands  
\$5.3/sq.m. for Converted Blocks in Urban Areas

Advance Allocation of Flats for Tenants Affected by the Comprehensive Redevelopment Programme  
(Paper No. MOC 56/95)

21. Members approved the proposed new system of advance allocation of flats for tenants affected by the Comprehensive Redevelopment Programme (CRP), with priority for flat selection to be determined by a ballot. The CRP operation for Chai Wan Phase 2 would be taken as a trial scheme.

Relief of Overcrowding  
(Paper No. MOC 57/95)

22. Members noted the modifications to the arrangements for relief of overcrowding. Under the revised procedure, flats available for relief of overcrowding would be offered to appropriate households according to their degree of overcrowding.

Security Service and Installations in Housing Authority Rental Estates  
(Paper No. MOC 58/95)

23. Members noted the progress of the first phase of the security improvement programme and endorsed the programme for the remaining rental blocks.

24. Members also endorsed the provision of night patrol guard service to non-Harmony/Trident blocks as an enhancement of the security improvement package.

Kwai Chung Estate  
(Paper Nos. HA 28/95; BC 110/95; MOC 60/95)

25. Members noted the inspection and repair works carried out by the Department immediately after the spalling incidents in Blocks 16 and 17 of Kwai Chung Estate in June 1995.

### (3) DEVELOPMENT COMMITTEE

Development Fund Projects  
(Paper No. DC 16/95)

26. Members supported the proposal of the Works Liaison Group to use the Development Fund to enhance the Home Purchase Loan Scheme. This includes increasing the amount of loan and the monthly subsidy for Green Form applicants to \$600,000 and \$5,100 respectively for two years, namely 1995/96 and 1996/97. The proposal was later formally endorsed by the Housing Authority at its meeting on 29 June 1995.

#### (4) COMMERCIAL PROPERTIES COMMITTEE

Review of Carpark Charges Policy and Carpark Charges for 1996  
(Paper No. CPC 50/95)

27. Members approved the revision of the existing charge bands and the reordering of districts to form four instead of three regions.

28. Members approved rent increases from \$100 to \$400 per month for private car spaces; from \$45 to \$60 per month for motor-cycle spaces and from \$300 to \$330 per month for lorry spaces. A 15% discount would be offered to floating parking spaces. Hourly charges for private car spaces would be \$15 per hour and \$12 per hour in urban/sub-urban area and the New Territories respectively; those for lorries would be \$16 to \$18 per hour. There would be a 33% discount concessionary night-time rate for hourly parking. The revised charges would take effect from 1 January 1996.

Arrangements for Tenants affected by Redevelopment of Yuen Long Factory Estate  
(Paper No. CPC 51/95)

29. Members approved that -

- (a) the existing rents of units in Yuen Long Factory Estate be frozen pending redevelopment;
- (b) vacant units of other factories be reserved exclusively for Yuen Long Factory Estate tenants and offered through restricted tender; and
- (c) tenants of Yuen Long Factory Estate be given ex-gratia allowances totalling \$14M.

Graded Shop Rent Increase 1996  
(Paper No. CPC 52/95)

30. Members approved the revised rents for a total of 2,246 tenancies of graded shops in Group B estates from 1 April 1996 as follows -

- (a) an increase of 20% or 30% on net rent as the case may be plus rates to be applied to all graded shops subject to a minimum increase of 25% on inclusive rent;
- (b) market rents to be charged on three clinics in Mark III to V blocks;
- (c) charges for outside seating areas to remain unchanged; and
- (d) exclusion from the review of shops for which redevelopment had been formally announced or where formal announcement was scheduled within six months from 1 April 1995.

Five-Year Programme and Budget Forecast for Major Improvements to Shopping Centres  
(Paper No. CPC 53/95)

31. Members noted the progress of major improvements to Housing Authority shopping centres under the latest five-year programme (1995/96 to 1999/2000) of which the expenditure forecast from 1995/96 to 1999/2000 was estimated at \$1.78 billion.

Improvement of Heng On Shopping Centre, Ma On Shan  
(Paper No. CPC 54/95)

32. Members noted the improvements to Heng On Shopping Centre proposed by Leigh & Orange Ltd.

Improvement of Siu Sai Wan Shopping Centre, Chai Wan  
(Paper No. CPC 55/95)

33. Members noted the improvements to Siu Sai Wan Shopping Centre proposed by P & T Architects and Engineers Ltd.

#### (5) ESTABLISHMENT AND FINANCE COMMITTEE

Assignment and Subparticipation of HOS Mortgages  
(Paper No. EFC 56/95)

34. Members agreed that -

- (a) in principle, the Housing Authority (HA) would not object to transactions relating to HOS/PSPS mortgages in the form of assignment and subparticipation;
- (b) however, each application for assignment or subparticipation would be scrutinized on its individual merits with the advice of Legal Adviser to ensure that the interests of HA and the mortgagors will not be jeopardized;
- (c) although most applications require the issue of a fresh guarantee to cover the purchase, HA should reserve the right to give consent without the guarantee where necessary;
- (d) The Establishment and Finance Committee's approval would be sought for those applications which are supported by the Department. In this context, for requests which cover pre-1989 mortgages for which the default guarantees were granted by the Government, delegated authority for the Authority to approve consent on behalf of the Government has been obtained from the Financial Secretary;
- (e) in case of assignment, the assignee bank should give an assurance that there will not be any additional financial charges pertaining to the mortgage levied on the mortgagors; and
- (f) for recovery of administrative and legal costs, the transacting parties should be charged at one-tenth of one percentage point of the amount of the mortgage loans assigned or subparticipated subject to periodical reviews in the light of operational experience. The proposed fee level

is intended both to recover administrative costs as well as to discourage frivolous applications.

New Design and Revised Space Allocation Standards for Estate Offices  
(Paper No. EFC 57/95)

35. Members noted the introduction of a new design and a revised set of space allocation standards under the estate office renovation programme and the related financial implications.

(6) SPECIAL COMMITTEE ON CLEARANCE OF KOWLOON WALLED CITY

Report on the meeting with a Group of Kowloon Walled City Clearees held on 27 April 1995  
(Paper No. KWC 9/95)

36. Members noted the report on the meeting of the Chairman and three other Members with a group of the Kowloon Walled City clearees who had not accepted any compensations nor submitted any appeals. Members also noted the clearees' concerns as expressed at the meeting and the follow-up actions taken for individual cases. In order to settle the cases, the meeting concluded that the Lands Department could refer the "no-appeal" cases to the Assessment Review Board (ARB) for a review, subject to the clearees' confirmation in writing of their consent to such reference being made and to attend the ARB hearing to provide information and give evidence.

Assessment Review Board Case No. ARB 92

37. Members were briefed on the background of the case in which the applicants concerned requested to withdraw their appeal application but the request was objected by the Lands Department. Members, after deliberation, agreed that the applicants' request should be accepted.

Deadline for Submissions regarding Outstanding ARB Cases

38. Members noted that there were still five ARB cases outstanding pending submissions from the applicants. The meeting decided that the applicants concerned should be given a deadline to forward their submissions, and if no responses were received, the ARB would proceed to arrange the hearings. If the applicants did not turn up for the hearing, the ARB would hear the case in their absence and make a determination based on all information available to the Board.

(7) AD HOC COMMITTEE ON PRIVATE DOMESTIC PROPERTY OWNERSHIP BY PUBLIC RENTAL HOUSING TENANTS

Declaration of Assets - Privacy Angle (Overseas Experience)  
(Paper No. CPPO 39/95)

39. Members noted certain decisions of the European Court of Human Rights on right to privacy which illustrated that a balance had to be struck between the interests of an individual and those of society. Having regard to the role of the Authority to provide subsidized housing to those in need whilst safeguarding public interests in the use of funds and resources, the meeting came to the view that the exercise of power under section 25(1) of the Housing Ordinance to require public housing tenants to provide information on the assets they owned should not constitute an unlawful interference of tenants' privacy protected under Article 14 of the Hong Kong Bills of Rights.

The Myth of Public Rental Housing as a Form of Compensation  
(Paper No. CPPO 46/95)

40. Having examined the Government's and the Authority's compensation policy in resumption, clearances and other re-provisioning arrangements, the meeting recognised that offering of public rental housing (PRH) was only a concessionary arrangement to facilitate clearance and resumption operations, and the argument that PRH was offered as a form of compensation for statutory right should not be valid.

Right to Housing under the International Covenant on Economic, Social and Cultural Rights  
(Paper No. CPPO 51/95)

41. Members noted the legal advice that there was yet no legally enforceable right to housing in the laws of Hong Kong. The proposed policy on tenants with income and asset ownership should not be contrary to the obligations imposed by Article 11 of the International Covenant on Economic, Social and Cultural Rights which was related to the right to an adequate standard of living.

Amendments to the Housing Ordinance  
(Paper No. CPPO 52/95)

42. Members supported the proposal to amend the Housing Ordinance, Cap 283, to increase the penalties on those convicted of the offence of knowingly making false statements in furnishing the particulars specified in requisitions under section 25(1) of the Ordinance. The additional penalty to be imposed should be set as a multiple of the rent undercharged for the detected period.

Revised Proposals on Income and Asset Assessment

43. Members examined revised proposals on income and asset assessment for the purpose of determining a tenant's continued need for subsidized housing. The Department would proceed to prepare a consultative document for consideration by the Committee.

Survey on Public Views on Proposals on Income and Asset Assessment - Draft Questionnaire  
(Paper No. CPPO 57/95)

44. Members agreed on the draft questionnaire with minor amendments. The questionnaire would be adopted during the survey on public views on housing subsidy to well-off tenants.

Private Car Ownership by Public Rental Housing Tenants  
(Paper No. CPPO 58/95)

45. Members noted the statistics on private car ownership among public rental housing tenants.

Characteristics of Households Paying Additional Rent  
(Paper No. CPPO 59/95)

46. Members noted the statistical profile of public rental housing households paying additional rent.

Public Submissions and Media Reports  
(Papers No. CPPO 40/95, CPPO 47/95 and CPPO 53/95)

47. Members noted the public submissions received and media reports collected on property ownership by public rental housing tenants from 19 May 1995 to 27 July 1995.

#### (8) APPEAL PANEL

Since the Appeal Panel was reconstituted and made independent of the Authority, case decisions will not be reported in this report.

#### (9) COMPLAINTS COMMITTEE

Cases  
(Papers No. CC 9/95, CC 10/95, CC 11/95, CC 16/95 and CC 17/95)

49. At the meetings on 14 June, 14 August and 29 August 1995, the panels of the Complaints Committee heard the following cases -

(a) complaints from Mr TONG Wai-ping;  
(The panels agreed on the approaches for handling the complaints. Decisions on the complaints have not yet been made.)

(b) a complaint from Mr CHUNG Kam-hung against the Cancellation of Application No. G0751782-3;  
(The panel decided that the application should remain cancelled.)

(c) a complaint from Mr YEUNG Kwan-tuk against the Cancellation of Application No. U0021881-9;  
(The panel decided that the application should remain cancelled.)

(d) a complaint from Mr HO Man-wing against the Cancellation of Application No. G0679655-9;  
(The panel decided that the application should remain cancelled.)

(e) a complaints from Madam CHAN Lai-fong against the Cancellation of Application No. G0684103-1.  
(The panel decided that the application should remain cancelled.)

#### (10) VISITS

50. During the period of this report, a visit to Tsui Ping Estate to see the arrangements under the new Approved Decoration Contractor System was organised for Management and Operations Committee and Housing Authority Members on 24 June 1995.

#### (11) MEETINGS WITH CONCERN GROUPS

51. During this period, the Chairman of Housing Authority and the Chairman and Members of the Management and Operations Committee held a total of 11 meetings with concern groups and political parties to discuss various housing-related issues.

#### (12) LIAISON WITH DISTRICT BOARDS

52. During the period under review, housing issues which received most attention from District Boards included, in descending order, redevelopment/clearance/rehousing progress and arrangements, security measures, maintenance, design of blocks, land demand, progress of housing developments and relief of overcrowding. Other general management issues such as estate hygiene and environment, rent illegal hawkers, crimes and gambling etc. were discussed by various District Boards and their Committees or Working Groups. However, housing matters were not discussed by four District Boards (Central and Western, Wan Chai, Yau Tsim Mong and Islands) during this period.

53. A list of the housing issues discussed by each District Board and its Committees during this period is at the Annex.

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Date : 22 September 1995