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Replies to supplementary questions raised by Finance Committee Members in examining the Estimates of Expenditure 2012-13

Director of Bureau : Secretary for Transport and Housing

Session No. : 6

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**Replies to supplementary questions raised by Finance Committee Members in
examining the Estimates of Expenditure 2012-13**

**Director of Bureau : Secretary for Transport and Housing
Session No. : 6**

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**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

S-THB(H)01

Question Serial No.

SV001

Head: 62 Housing Department

Subhead (No. & title):

Programme:

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

It is the general policy that eligible applicants on the Waiting List (WL) will be given the first housing offer within three years. However, 30% of WL applicants were not given the first housing offer within three years during the period from July 2010 to June 2011. The Administration is requested to advise the reasons for the delay and the actual time taken for allocation of public rental housing flats to these WL applicants.

Asked by: Hon. LAU Wai-hing, Emily

Reply:

The objective of the Government and the Hong Kong Housing Authority is to provide public rental housing (PRH) to low-income families who cannot afford private rental accommodation, with a target of maintaining the average waiting time (AWT) for general Waiting List (WL) applicants at around three years.

Among the 16 800 general applicants housed between July 2010 and June 2011, around 51% of them received their first offer within two years, and around 70% of them received their first offer within three years. This is in line with the AWT of 2.2 years as at end June 2011.

We recently conducted a special exercise to investigate the cases with a longer waiting time. Our findings show that housed applicants who have a longer waiting time are mostly those opting for the Extended Urban District and Urban District. Applicants with particularly long waiting time often involve special circumstances such as cancellation periods (i.e. during which they are ineligible for housing. Their actual waiting time will be shorter if the cancellation period is disregarded); change of household particulars; and location preference on social/medical grounds, etc.

Signature: _____

Name in block letters: D.W. PESCOD

Post Title: Permanent Secretary for Transport
and Housing (Housing)

Date: 19.3.2012

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-THB(H)02

Question Serial No.

S013

Head: 62 Housing Department

Subhead (No. & title):

Programme:

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

According to the reply under serial number THB(H)059, flats of the New Home Ownership Scheme will be built at six sites. Of the six projects, which will be the one of which the construction works will commence first?

Asked by: Hon. WONG Kwok-hing

Reply:

All the six New Home Ownership Scheme developments are at a planning and design stage. It is anticipated that foundation works concerned will commence in mid 2013. Amongst the six sites, Ex-Chan Lai So Chun Memorial School site at Cheung Ching Estate in Kwai Tsing District will be the first one with works starting on site. These involve asbestos investigation and demolition of an old school building. This will commence in 2012.

Signature: _____

Name in block letters: D.W. PESCOD

Post Title: Permanent Secretary for Transport
and Housing (Housing)

Date: 19.3.2012

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

S-THB(H)03

Question Serial No.

S014

Head: 62 Housing Department

Subhead (No. & title):

Programme:

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

According to the reply under serial number THB(H)059, is the existing development project at Tsing Luk Street of Tsing Yi the only one that the works of which have commenced among the various subsidised housing projects? If no, please list the projects that the construction works of which have commenced.

Asked by: Hon. WONG Kwok-hing

Reply:

In respect of the My Home Purchase Plan (MHPP), works in respect of the project at Tsing Luk Street of Tsing Yi are making good progress. This development is scheduled for completion in 2014. Besides, for the project at Sha Tin Area 36C, the Hong Kong Housing Society (HKHS) will conduct studies on the need to carry out slope stabilization works for the site. We will continue to work closely with the HKHS to implement the Sha Tin project as early as possible. Most of the remaining MHPP sites involve change of land use. We will expedite preparatory work as far as possible and will announce the details of individual projects when the preparatory work is completed.

As far as the New Home Ownership Scheme projects are concerned, the first six projects are all under planning and design stage and the related ground investigation works have started on site. It is anticipated that foundation works concerned will commence in mid 2013.

Signature: _____

Name in block letters: D.W. PESCOD

Post Title: Permanent Secretary for Transport
and Housing (Housing)

Date: 19.3.2012

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

S-THB(H)04

Question Serial No.

S015

Head: 62 Housing Department

Subhead (No. & title):

Programme:

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

Apart from the sites mentioned in the reply under serial number THB(H)059, will the Administration continue to identify suitable sites in the coming year for the construction of flats under the New Home Ownership Scheme and My Home Purchase Plan? If yes, how many sites does the Administration plan to identify in the coming year for the construction of subsidised housing flats?

Asked by: Hon. WONG Kwok-hing

Reply:

In respect of the My Home Purchase Plan (MHPP), the Government has already earmarked sites in Tsing Yi, Diamond Hill, Sha Tin, Tai Po, Tuen Mun and other areas for about 5 000 flats. At this stage, the Government has no plan to identify other sites for the construction of more MHPP flats.

The Transport and Housing Bureau, however, will continue to liaise closely with the concerned policy bureaux, government departments, district councils and local communities to identify suitable sites in different parts of the territory for the New Home Ownership Scheme (New HOS) developments in order to achieve the target of providing a total of about 17 000 New HOS units over the four years from 2016-17 onwards.

Signature: _____

Name in block letters: D.W. PESCOD

Post Title: Permanent Secretary for Transport
and Housing (Housing)

Date: 19.3.2012

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

S-THB(H)05

Question Serial No.

S016

Head: 62 Housing Department

Subhead (No. & title):

Programme: (5) Support Services

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

According to the reply under serial number THB(H)055, no public rental housing (PRH) will be delivered on the Hong Kong Island in the PRH development plan for the coming five years (2011-12 to 2015-16). Please advise this Committee of the following:

How many sites are planned for PRH development on the Hong Kong Island? Where are these sites located?

Asked by: Hon. WONG Kwok-hing

Reply:

For Hong Kong Island, there is one proposed public housing development, at Lin Shing Road in Chai Wan with about 200 public rental housing flats. This is at the planning and design stage. According to the current programme, the project is scheduled to start construction in 2013 for completion in 2017.

Signature: _____

Name in block letters: D.W. PESCOD

Post Title: Permanent Secretary for Transport
and Housing (Housing)

Date: 19.3.2012

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

S-THB(H)06

Question Serial No.

S017

Head: 62 Housing Department

Subhead (No. & title):

Programme: (5) Support Services

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

According to the reply under serial number THB(H)055, no public rental housing (PRH) will be delivered on the Hong Kong Island in the PRH development plan for the coming five years (2011-12 to 2015-16). Please advise this Committee of the following:

It is mentioned in the reply that the site at Lin Shing Road, Chai Wan will be used for PRH development. What are the relevant details? When are the works expected to commence?

Asked by: Hon. WONG Kwok-hing

Reply:

The proposed public housing development at Lin Shing Road in Chai Wan with about 200 public rental housing flats is at the planning and design stage. According to the current programme, the project is scheduled to start construction in 2013 for completion in 2017.

Signature: _____

Name in block letters: D.W. PESCOD

Post Title: Permanent Secretary for Transport
and Housing (Housing)

Date: 19.3.2012

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

S-THB(H)07

Question Serial No.

S018

Head: 62 Housing Department

Subhead (No. & title):

Programme: (5) Support Services

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

According to the reply under serial number THB(H)055, no public rental housing (PRH) will be delivered on the Hong Kong Island in the PRH development plan for the coming five years (2011-12 to 2015-16). Please advise this Committee of the following:

How many PRH flats on the Hong Kong Island are recovered by the Administration every year?

Asked by: Hon. WONG Kwok-hing

Reply:

Apart from newly built public rental housing (PRH) flats, the PRH flats recovered from PRH sitting tenants by the Hong Kong Housing Authority (HA) are also an important source of PRH supply. We do not have readily available figures on PRH flats recovered on Hong Kong Island. Nonetheless, in the past three years (2008-09 to 2010-11), the HA recovered an average of about 7 500 PRH flats annually in the Urban District.

Signature: _____

Name in block letters: D.W. PESCOD

Post Title: Permanent Secretary for Transport
and Housing (Housing)

Date: 19.3.2012

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

S-THB(H)08

Question Serial No.

S019

Head: 62 Housing Department

Subhead (No. & title):

Programme: (5) Support Services

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

According to the reply under serial number THB(H)055, no public rental housing (PRH) will be delivered on the Hong Kong Island in the PRH development plan for the coming five years (2011-12 to 2015-16). Please advise this Committee of the following:

Will PRH production be averaged out in various districts in response to the demand, lest there is excessive PRH delivery in some districts while none in some others for years?

Asked by: Hon. WONG Kwok-hing

Reply:

The Housing Department will continue to liaise closely with the concerned policy bureaux, government departments, district councils and local communities to identify suitable sites in different parts of the territory for public rental housing (PRH) development. We will consider all suitable sites, regardless of their sizes, for PRH development under the principle of optimal utilization of valuable land resources to maintain cost-effective and sustainable development, in order to provide adequate PRH units to cater for the demand.

Signature: _____

Name in block letters: D.W. PESCOD

Post Title: Permanent Secretary for Transport
and Housing (Housing)

Date: 19.3.2012

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

S-THB(H)09

Question Serial No.

S021

Head: 62 Housing Department

Subhead (No. & title):

Programme: (5) Support Services

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

- (a) According to the reply under serial number THB(H)055, the Housing Department (HD) will conduct annual studies to identify suitable land for public rental housing (PRH) development in various locations to maintain the average waiting time (AWT) for general Waiting List (WL) applicants at about three years. The current problem with PRH, however, is that the number of WL applicants has reached 160 000. The supply of PRH flats is in acute shortage and the grassroots are facing difficulties in housing. Will the Administration, therefore, step up its efforts to identify land with a view to increasing the supply, or to implement planned PRH production programmes as soon as possible so as to reduce the AWT by expediting housing offers?
- (b) What are the greatest difficulties currently in identifying land for PRH development, and how many sites originally intended for PRH development were shelved upon further studies over the past three years?

Asked by: Hon. WONG Kwok-hing

Reply:

- (a) As we have mentioned in our reply under serial number THB(H) 055, according to the current five-year rolling Public Housing Construction Programme (PHCP) of the Hong Kong Housing Authority (HA), the anticipated new public rental housing (PRH) production during the five-year period starting from 2011-12 is about 75 000 flats, averaging about 15 000 flats per year. However, the annual PRH production of 15 000 units is not a fixed target, the HA will continue to closely monitor the changes of number of applications on the Waiting List (WL), and roll forward the PHCP on a yearly basis having regard to the public demand for public housing. If necessary, the HA will adjust the level of PRH production and increase supply so as to maintain the average waiting time (AWT) of general WL applicants at about three years.
- (b) Besides technical problems (such as development constraints, change in land use, land resumption, clearance and site formation etc), we often come across different views from the local communities when we are searching for suitable sites of PRH development. In order to foster participation of the residents and the District Councils, the HA has formalized the consultation process for major PRH developments. In addition to the formal consultations with District Councils, we also organize local community workshops with a view to enhancing communication and achieving social cohesion.

In the past three years (i.e. 2009-10 to 2011-12), the following two sites were found not most suitable for PRH development after detailed study by the Government –

| Site | Reasons for Not Most Suitable for PRH Use |
|-------------------------|---|
| Tai Po Area 1 (part) | It is considered more suitable for Government, Institution or Community (G/IC) use. |
| Ex-Homantin Estate Site | It is considered more suitable for private housing development and G/IC use. |

Signature: _____

Name in block letters: D.W. PESCOD

Post Title: Permanent Secretary for Transport
 and Housing (Housing)

Date: 19.3.2012

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

S-THB(H)10

Question Serial No.

S036

Head: 162 – Rating and Valuation Department Subhead (No. & title):

Programme: (4) Landlord and Tenant Services

Controlling Officer: Commissioner of Rating and Valuation

Director of Bureau: Secretary for Transport and Housing

Question:

According to the reply THB(H)061, the Rating and Valuation Department (RVD) provided about 170 000 cases of advisory services and 145 cases of mediatory services on tenancy matters to landlords and tenants in 2011-12. However, the Administration has failed to provide any information on the disputes involved and scope covered by these advisory and mediatory services. Does the Administration have any plans to carry out more detailed analysis on tenancy matters to facilitate consideration on the need to update or amend the Ordinance?

Asked by: Hon. PAN Pey-chyou

Reply:

The Rating and Valuation Department (RVD) provides advisory and mediatory services on tenancy matters upon enquiries received from landlords and tenants. Advisory services provided mainly involve enquiries relating to the contractual rights and obligations of landlords and tenants as contained in the tenancy agreement. Many of these enquiries are of a general nature. The enquirers seek to have a better understanding of their rights and obligations under the terms of the tenancy and the enquiries do not necessarily involve tenancy disputes. These advisory enquiries are categorized into subjects such as terms and arrangement of the tenancy agreement, rent, procedures for recovery of possession by the landlord, use of forms, compensation, distress for rent, and others, etc. In 2011-12 (up to end February 2012), about 187 000 cases of advisory services were provided. As compared with about 203 000 and 220 000 advisory services provided in 2009-10 and 2010-11 respectively, it shows a stable trend of the numbers of enquiries on tenancy matters received.

Where tenancy disputes occur, mediatory services will be provided by RVD upon request from the landlord or the tenant. The disputes involved are categorized into subjects including arrears of rent, refund of deposit, repairs and maintenance, termination of tenancy and surrender of tenancy, etc. In 2011-12 (up to end February 2012), mediatory services were provided in respect of 162 cases, indicating a stable trend compared to 172 cases and 190 cases handled in 2009-10 and 2010-11 respectively. Arrears of rent and termination of tenancy were the two major areas of disputes handled through mediation in 2011-12. Notwithstanding, the disputes relating to termination of tenancy constituted a relatively small percentage (17%) of all mediation cases handled.

The existing analysis is considered sufficient to gauge the nature of tenancy disputes from enquiries received. RVD will continue to provide free advisory and mediatory services on tenancy matters to landlords and tenants.

Signature: _____

Name in block letters: P K TANG

Post Title: Commissioner of Rating and Valuation (Acting)

Date: 19.3.2012

**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

S-THB(H)11

Question Serial No.

S037

Head: 162 – Rating and Valuation Department Subhead (No. & title):

Programme: (4) Landlord and Tenant Services

Controlling Officer: Commissioner of Rating and Valuation

Director of Bureau: Secretary for Transport and Housing

Question:

Has the Administration reviewed the Landlord and Tenant (Consolidation) Ordinance since the amendment of the Ordinance in 2004 to see how the amended ordinance has affected tenancy matters? If no, what are the reasons?

Will the Administration consider conducting any overall review of the Ordinance on tenancy matters by means such as public consultation?

Asked by: Hon. PAN Pey-chyou

Reply:

The Landlord and Tenant (Consolidation) (Amendment) Ordinance was passed after public consultation and in-depth examination of the details by the relevant Bills Committee of the Legislative Council. It has struck a balance between the interests of landlords and tenants at different social strata. Being the government department responsible for administering the Ordinance, the Rating and Valuation Department will continue to provide landlords and tenants with free advisory and mediatory services on tenancy matters. Generally speaking, landlords and tenants are aware of the removal of rent control and security of tenure, and their enquiries mainly involve issues relating to their contractual rights and obligations as contained in the tenancy agreements. The number of advisory and mediatory services provided in 2011-12 (up to end February 2012) shows a stable trend as compared with the number of respective services provided in the preceding two years.

Signature: _____

Name in block letters: _____ P K TANG

Post Title: _____ Commissioner of Rating and Valuation (Acting)

Date: _____ 19.3.2012