

Head 62 — HOUSING DEPARTMENT

Controlling officer: the Permanent Secretary for Transport and Housing (Housing) will account for expenditure under this Head.

Estimate 2012–13..... **\$173.2m**

Controlling Officer's Report

Programmes

Programme (1) Building Control
Programme (2) Private Housing
Programme (3) Appeal Panel (Housing)
Programme (4) Rehousing of Occupants upon Clearance
Programme (5) Support Services

These programmes contribute to Policy Area 31: Housing (Secretary for Transport and Housing).

Detail

Programme (1): Building Control

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	73.3	89.9	84.8 (–5.7%)	98.6 (+16.3%)
				(or +9.7% on 2011–12 Original)

Aim

2 The Housing Department (HD) is delegated with the building control authority over buildings of the Housing Authority (HA) that have been sold or otherwise disposed of under sections 4(2)(a) or 17A of the Housing Ordinance (Cap. 283). The aim is for the Independent Checking Unit (ICU) of HD to exercise building control of these former HA buildings, in accordance with the Buildings Department (BD)'s current practice on building control of private housing, and to make a bi-annual report to the Director of Buildings.

Brief Description

3 ICU has been carrying out building control duties in Home Ownership Scheme (HOS)/Tenants Purchase Scheme (TPS) buildings under delegated authority. The delegation has been extended to retail and carparking premises and some public rental housing estates as a result of the divestment of HA's retail and carparking premises since November 2005 from when the Buildings Ordinance (Cap.123) has been applicable to this extended portfolio of properties. As at 1 December 2011, the portfolio comprises:

• number of HOS courts/flats :	148 / 223 650
• number of TPS estates/flats :	39 / 186 460
• number of public rental housing estates/flats :	97 / 434 327
• total numbers of courts and estates :	284
• number of retail/carparking premises :	110 / 348
• total numbers of domestic flats (HOS, TPS and public rental housing) :	844 437

4 The work involves:

- processing applications for alteration and addition works within the statutory period;
- attending to emergencies and carrying out enforcement action on:
 - unauthorised building works;
 - dangerous buildings; and
 - defective drainage;

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- conducting the Planned Survey for overall improvements to HOS and TPS buildings;
- processing licensing/registration referrals by government departments (e.g. restaurants, places of public entertainment and tutorial schools); and
- processing minor works submissions.

5 The key performance measures in respect of building control are:

Targets

	Target	2010 (Actual)	2011 (Actual)	2012 (Plan)
processing plans for alteration and addition works within 60 days (%)	100	100	99.5	100
processing resubmissions for alteration and addition works within 30 days (%).....	100	100	99.6	100
processing applications for consent to commence alteration and addition works within 28 days (%)	100	100	99.2	100
advising on restaurant license applications under the Application Vetting Panel (AVP) system within 12 working days (%).....	100	100	98.8	98.0¶
responding to emergencies during office hours (%) :				
within 1.5 hours for cases in urban areas.....	100	100	100	100
within two hours for cases in new towns in New Territories (N.T.)	100	—Δ	100	100
within three hours for cases in other areas in N.T.	100	—Δ	—Δ	100
responding to emergencies outside office hours (%) :				
within two hours for cases in urban areas and new towns in N.T.....	100	—Δ	100	100
within three hours for cases in other areas in N.T.	100	—Δ	—Δ	100
providing non-emergency services for reports on unauthorised building works under construction within 48 hours (%)	100	100	100	100
buildings targeted for prescribed inspection and, if necessary, prescribed repair under the Mandatory Building Inspection Scheme (MBIS).....	62/yearΨ	—	—	47
buildings targeted for prescribed window inspection and, if necessary, prescribed window repair under the Mandatory Window Inspection Scheme (MWIS).....	260/yearΨ	—	—	195

¶ Due to the substantial increase in overall licensing referral cases from various Licensing Authorities from about 780 in 2007 to the estimated 1 200 in 2012 and extra time required for complicated cases where site verification and detailed calculations are involved, the planned performance is set at 98 per cent, which also tallies with BD's pledge under the AVP system.

Δ No case in the relevant years.

Ψ New target as from 2012. Full implementation of MBIS and MWIS is expected to commence in the second quarter of 2012.

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Indicators

	2010 (Actual)	2011 (Actual)	2012 (Estimate)
alteration and addition plans received and processed within 60 days	227	236	230
resubmitted alteration and addition plans received and processed within 30 days.....	271	311	300
consents to commence alteration and additional works issued.....	320	492	490
buildings to be targeted for clearance of unauthorised building works under ICU's Planned Survey	22	20	20
unauthorised buildings works			
reports from members of the public attended to	324	521	500
reports on cantilever canopies.....	25	25	22
advisory letters issued.....	1 039	1 151	1 100
removal orders issued	732	409	400
prosecutions referred to BD against failure to comply with removal orders.....	36	45	45
dilapidated buildings			
reports from members of the public attended to	383	417	420
repairs orders issued	0	0	0
advice on licensing/registration applications (restaurants, places of public entertainment, tutorial schools, etc.)	1 415	1 172	1 200
minor works submissions received	—	11 123	15 000#

New indicator as from 2011. The estimated increase in 2012 is due to the anticipated increase in submissions resulting from the implementation of the Minor Works Control System (MWCS) one year after its first implementation on 31 December 2010.

Matters Requiring Special Attention in 2012–13

6 During 2012–13, ICU will:

- continue with the programme of the Planned Survey in HOS/TPS buildings;
- liaise with other government departments to ensure necessary Multi-Disciplinary Response Team measures are in readiness for any outbreak of communicable diseases in Hong Kong;
- continue to compile as-built records of existing HOS/TPS and public rental housing buildings, and retail and carparking premises, in line with BD's existing practice and format for private housing, to facilitate future building control;
- continue to implement MWCS; and
- fully implement MBIS and MWIS, targeting in each year 62 buildings aged 30 or above which require mandatory inspection and, if necessary, repair of the buildings, and 260 buildings aged ten or above which require mandatory inspection and, if necessary, repair of windows.

Programme (2): Private Housing

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	17.3	18.3	36.3 (+98.4%)	34.1 (–6.1%)
				(or +86.3% on 2011–12 Original)

Aim

7 The aim is to maintain an orderly, fair and free environment to facilitate stable and healthy development of the private residential property market.

Brief Description

8 The work involves:

- collecting data, compiling and maintaining a database on private housing supply;
- releasing data on housing supply in the primary market on a regular basis to enhance market transparency;
- providing analysis on developments in the private housing market;
- monitoring the regime of self-regulation undertaken by the Real Estate Developers Association of Hong Kong (REDA) to increase the transparency of sale of uncompleted residential units;
- monitoring developments in the private residential rental market;
- monitoring the subsidised housing schemes entrusted to the Hong Kong Housing Society (HKHS);
- working with the Estate Agents Authority (EAA) to further improve the calibre and professionalism of local estate agents; and
- administering the appeal mechanism provided for under the Estate Agents Ordinance (Cap. 511).

Matters Requiring Special Attention in 2012–13

9 During 2012–13, HD will continue to:

- release statistics on private housing supply in the primary market on a quarterly basis;
- closely monitor, in association with REDA, Consumer Council and EAA, the adequacy and transparency of sales information provided by developers to purchasers of uncompleted residential units;
- enhance the transparency of the sale of first-hand private residential properties, in particular bringing forward the recommendations of the Steering Committee on the Regulation of the Sale of First-hand Residential Properties by Legislation;
- liaise with EAA to enhance the professionalism and service standard of estate agents; and
- liaise with HKHS on the implementation of My Home Purchase Plan.

Programme (3): Appeal Panel (Housing)

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	8.4	8.9	9.3 (+4.5%)	9.5 (+2.2%)
				(or +6.7% on 2011–12 Original)

Aim

10 The aim is to provide administrative and secretarial support to the Appeal Panel (Housing) to ensure that appeals lodged under the Housing Ordinance against the termination of leases by HA are handled in a thorough, impartial and efficient manner.

Brief Description

11 The Appeal Panel (Housing) Secretariat is set up to assist the Appeal Panel (Housing) in discharging its functions. The work involves:

- verifying appellants' status;
- assisting the Chairman of the Panel to appoint the Appeal Tribunals and draw up the hearing schedules;
- issuing notice of hearing together with relevant documents to the appellant and HA;
- serving as secretary to the Appeal Tribunals;
- issuing notice of decision to the appellant and HA on the Appeal Tribunal's determination after each hearing;
- handling enquiries and correspondences from appellants and HA;
- advising Members of the Panel on the scope of authority of the Appeal Panel (Housing) and keeping Members updated on the latest policies on tenancy issues; and
- organising briefing sessions for new Members of the Panel.

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12 The key performance measures in respect of Appeal Panel (Housing) are:

Targets

	Target	2010 (Actual)	2011 (Actual)	2012 (Plan)
issuing notice of hearing and relevant documents to appellant and HA not less than 14 days before the fixed hearing date (%)	100	100	100	100
issuing Appeal Tribunal's determination to appellant and HA within 14 days after hearing (%).....	100	100	100	100

Indicators

	2010 (Actual)	2011 (Actual)	2012 (Estimate)
no. of appeals received	1 246	1 298	1 400
no. of hearing sessions	158	150	150
no. of hearings arranged.....	457	490	480
no. of appeals heard	331	376	350

Matters Requiring Special Attention in 2012–13

13 During 2012–13, the Appeal Panel (Housing) Secretariat will:

- continue to provide efficient and effective support services to the Appeal Panel (Housing) in discharging its duties; and
- ensure that Members are kept up-to-date on the latest policies on tenancy issues to facilitate their consideration of appeals.

Programme (4): Rehousing of Occupants upon Clearance

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	15.6	17.7	18.0 (+1.7%)	18.8 (+4.4%)
				(or +6.2% on 2011–12 Original)

Aim

14 The aim is to provide rehousing assistance to eligible clearerees affected by government actions in land clearance and illegal rooftop structure clearance, and victims of natural disasters and other emergency incidents.

Brief Description

15 The work involves:

- verifying rehousing eligibility of the affected occupants;
- screening rehousing applications referred by the Lands Department (LandsD) according to prevailing policies and criteria;
- providing assistance in rehousing the occupants of illegal rooftop structures displaced by BD's enforcement actions;
- allocating public rental housing and interim housing to eligible applicants;
- paying singleton and doubleton allowances/issue of Green Form Certificates to eligible applicants in lieu of rehousing;
- maintaining computerised records on miscellaneous housing benefits granted by LandsD and the Urban Renewal Authority (URA);
- providing temporary shelter to victims affected by natural disasters, emergency incidents and other government actions; and
- co-ordinating the use of the transit centres.

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16 The key performance measures in respect of rehousing of occupants upon clearance are:

Targets

	Target	2010 (Actual)	2011 (Actual)	2012 (Plan)
verification of domestic clearances' rehousing eligibility within eight weeks after clearance announcement (%).....	100	100	100	100

Indicators

	2010 (Actual)	2011 (Actual)	2012 (Estimate)
programmed squatter clearances or emergency clearances			
no. of rehousing applications processed	200	50φ	260§
no. of offers made for public rental housing	110	30φ	130§
no. of offers made for interim housing.....	70	20φ	90§
no. of households received other housing benefits	4	0	10§
illegal rooftop structure clearances			
no. of rehousing applications processed	160	150	560§
no. of offers made for public rental housing	50	50	170§
no. of offers made for interim housing.....	10	10	30§
no. of households received other housing benefits	1	1	10§
emergency			
no. of bedspaces in transit centres provided	416	416	416

φ The drop in the figures was owing to the adjustment in LandsD's clearance programmes in 2011.

§ The figures are estimated according to the progress and programmes of LandsD's clearance projects and BD's enforcement actions against illegal rooftop structures.

Matters Requiring Special Attention in 2012–13

17 During 2012–13, the Department will continue to:

- undertake rehousing for affected occupants referred by LandsD and BD including vetting rehousing eligibility;
- maintain computerised records on miscellaneous housing benefits granted by LandsD and URA;
- provide temporary shelter to victims affected by natural disasters, emergency incidents and other government actions; and
- co-ordinate the use of the transit centres.

Programme (5): Support Services

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	18.7	11.3	12.2 (+8.0%)	12.2 (—)
				(or +8.0% on 2011–12 Original)

Aim

18 The aim is to provide efficient and effective support services for housing-related matters and infrastructure projects.

Brief Description

19 The work involves:

- administering housing-related infrastructure projects under the Capital Works Reserve Fund Head 711 by providing intra-governmental services for implementation of these projects. The work involves liaison with concerned departments at various stages from project inception, feasibility study, funding approval, detailed design and construction to monitoring of the delivery of projects according to schedule and within budget;

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- co-ordinating the collection and checking the accuracy of overall public and private housing statistics and providing necessary data and analysis to relevant bureaux and departments for infrastructure and land supply planning; and
- ensuring adequate supply and timely delivery of suitable sites for development of public housing to meet the policy pledge.

20 The key performance measures in respect of support services are:

Indicators

	2010 (Actual)	2011 (Actual)	2012 (Estimate)
no. of infrastructure projects obtaining funding approval from the Legislative Council in the year	0	1	1
no. of infrastructure projects under construction	26	25	21

Matters Requiring Special Attention in 2012–13

21 During 2012–13, HD will continue to liaise closely with concerned bureaux/departments to:

- facilitate the implementation of housing-related infrastructure projects to meet the public housing production programme; and
- monitor the progress on supply and timely availability of public housing sites.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2010–11 (Actual) (\$m)	2011–12 (Original) (\$m)	2011–12 (Revised) (\$m)	2012–13 (Estimate) (\$m)
(1) Building Control	73.3	89.9	84.8	98.6
(2) Private Housing	17.3	18.3	36.3	34.1
(3) Appeal Panel (Housing)	8.4	8.9	9.3	9.5
(4) Rehousing of Occupants upon Clearance.....	15.6	17.7	18.0	18.8
(5) Support Services	18.7	11.3	12.2	12.2
	133.3 Ω	146.1	160.6 β (+9.9%)	173.2 (+7.8%)
				(or +18.5% on 2011–12 Original)

Ω The figure does not include the expenditure of \$1,802 million for the two months' rent payments for tenants/licencees living in the rental units of HA and HKHS.

β The figure does not include the provision of \$1,900 million for the two months' rent payments for tenants/licencees living in the rental units of HA and HKHS.

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2012–13 is \$13.8 million (16.3%) higher than the revised estimate for 2011–12. This is mainly due to the increase in operating expenses including salaries and on-cost for an addition of three staff for implementing MWCS and the full implementation of MBIS and MWIS.

Programme (2)

Provision for 2012–13 is \$2.2 million (6.1%) lower than the revised estimate for 2011–12. This is mainly due to the completion of the support services to the Steering Committee on the Regulation of the Sale of First-hand Residential Properties by Legislation and the work relating to the preparation of the draft Bill, partly offset by the full-year effect of the Special Duties Unit which will take forward the draft Bill to enactment and set up the proposed enforcement authority to implement the legislation upon enactment.

Programme (3)

Provision for 2012–13 is \$0.2 million (2.2%) higher than the revised estimate for 2011–12. This is mainly due to the filling of a vacancy.

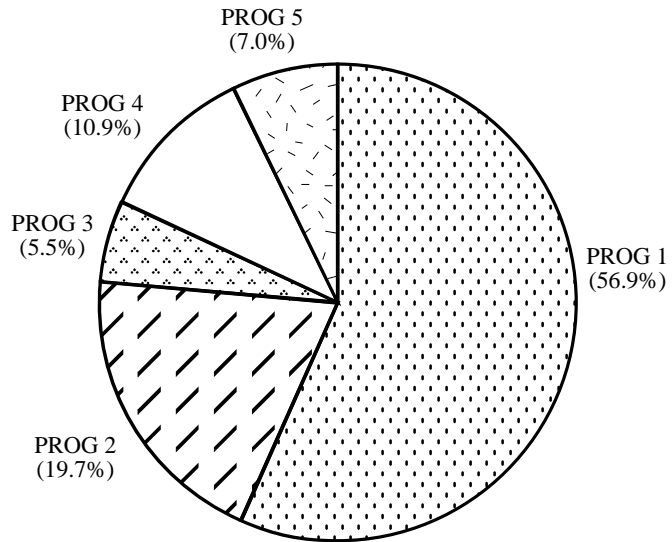
Programme (4)

Provision for 2012–13 is \$0.8 million (4.4%) higher than the revised estimate for 2011–12. This is mainly due to the filling of vacancies.

Programme (5)

Provision for 2012–13 is comparable with the revised estimate for 2011–12.

*Allocation of provision
to programmes
(2012-13)*



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Sub-head (Code)	Actual expenditure 2010–11	Approved estimate 2011–12	Revised estimate 2011–12	Estimate 2012–13
	\$'000	\$'000	\$'000	\$'000
Operating Account				
Recurrent				
000	Operational expenses	133,312	146,083	160,585
003	Recoverable salaries and allowances (General).....	3,440,951		
	<i>Deduct</i> reimbursements.....	<u>Cr.3,440,951</u>	—	—
	Total, Recurrent	<u>133,312</u>	<u>146,083</u>	<u>160,585</u>
Non-Recurrent				
	General non-recurrent	1,801,899 ^φ	—	1,900,000 ^μ
	Total, Non-Recurrent	<u>1,801,899</u>	<u>—</u>	<u>1,900,000</u>
	Total, Operating Account	<u>1,935,211</u>	<u>146,083</u>	<u>2,060,585</u>
	Total Expenditure	<u><u>1,935,211</u></u>	<u><u>146,083</u></u>	<u><u>2,060,585</u></u>

φ The actual expenditure is for the two months' rent payments for the tenants/licencees living in the rental units of HA and HKHS.

μ The provision is for the two months' rent payments for the tenants/licencees living in the rental units of HA and HKHS.

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Details of Expenditure by Subhead

The estimate of the amount required in 2012–13 for the expenses of those activities of the Housing Department that are funded from General Revenue is \$173,196,000. This represents a decrease of \$1,887,389,000 against the revised estimate for 2011–12 (the latter including the provision for one-off two months' rent payments amounting to \$1,900 million for the tenants/licencees living in the rental units of the Housing Authority (HA) and the Hong Kong Housing Society (HKHS)) and a decrease of \$1,762,015,000 against actual expenditure in 2010–11 (the latter including one-off two months' rent payments amounting to \$1,802 million for the tenants/licencees living in the rental units of HA and HKHS).

Operating Account

Recurrent

2 Provision of \$173,196,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses incurred by the Housing Department under the programmes of building control, private housing, Appeal Panel (Housing), rehousing of occupants upon clearance and support services.

3 Gross provision of \$3,440,951,000 under *Subhead 003 Recoverable salaries and allowances (General)* is for salaries and allowances for civil servants working in HA. Expenditure under this subhead is reimbursed by HA.