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Replies to initial written questions raised by Finance Committee Members in examining the Estimates of Expenditure 2017-18

Director of Bureau : Secretary for Transport and Housing

Session No. : 12

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CONTROLLING OFFICER'S REPLY

THB(H)001

(Question Serial No. 2207)

Head: (62) Housing Department
Subhead (No. & title): (000) Operational expenses
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

It is anticipated that land resumption is required for a substantial number of new developments in the future. This may give rise to a large number of rehousing cases referred by the Lands Department. In this connection, please advise on the Housing Department's preparedness to cope with the situation and whether the Department will review the prevailing policies and criteria concerned.

Asked by: Hon CHAN Hak-kan (Member Question No. 50)

Reply:

We have no plan to change the prevailing eligibility criteria for public rental housing (PRH) applicable to persons affected by clearance operations. PRH is meant for low-income families who cannot afford private rental accommodation. Given limited PRH resources and the continuously pressing need for PRH, we must maintain consistency in the eligibility criteria for PRH and handle all requests for PRH in a fair manner.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)002

(Question Serial No. 0980)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

Please provide the number of bedspaces, occupancy rate, average length of stay of occupants, staff establishment and expenditure of individual transit centres in the past 3 years.

Asked by: Hon CHAN Han-pan (Member Question No. 57)

Reply:

The 2 Transit Centres (TCs) under the purview of the Hong Kong Housing Authority (HA) are Po Tin TC in Tuen Mun and Lung Tin TC in Tai O. As a financially autonomous public body, HA funds the operational expenditure of 2 TCs with its own resources.

There are 340 bed spaces at Po Tin TC. Occupants' length of stay is normally less than 3 months. Daily management, cleansing and security services of Po Tin TC are provided by Housing Department (HD)'s Property Services Contractor. Operating expenses of Po Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are approximately \$1.3 million, \$1.4 million and \$0.9 million respectively.

There are 76 bed spaces at Lung Tin TC. Apart from 1 victim whose stilt house was destroyed during a fire at Tai O and Lands Department has approved an exemption from the maximum 3-month stay limit, the average length of stay of other occupants is 2 days. Daily management, cleansing and security services of Lung Tin TC are also provided by HD's Property Services Contractor. Operating expenses of Lung Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are \$60,000, \$40,000 and \$40,000 respectively.

Since the occupancy position of TCs fluctuates depending on the occurrence of incidents, the occupancy rate at different periods of time varies greatly. As such, HD has not kept the relevant statistics.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)003

(Question Serial No. 1303)

Head: (62) Housing Department
Subhead (No. & title): (000) Operational Expenses
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

Does the Department have any plans to increase the supply of interim housing this year? If not, what are the reasons?

Asked by: Hon CHENG Chung-tai (Member Question No. 40)

Reply:

The Hong Kong Housing Authority anticipates that its Interim Housing (IH) should be able to meet the needs of those households who will be affected by government clearance programmes and enforcement actions. Hence, there is currently no plan to build new IH.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)004

(Question Serial No. 1146)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

Please inform this Committee of:

1. the vacancy rate of private flats in the past 5 years; and
2. the proportions of individual buyers and company buyers of private flats in the past 5 years, with a breakdown by origin of buyers (i.e. local and non-local) and the transaction amount involved.

Asked by: Hon CHOW Ho-ding, Holden (Member Question No. 20)

Reply:

1. The vacancy rates of private residential units as at the end of the past 5 calendar years (i.e. 2012 - 2016) are listed below –

Time	Vacancy rate
End-2012	4.3%
End-2013	4.1%
End-2014	3.8%
End-2015	3.7%
End-2016	3.8%

Note

The vacancy rate as at end-2016 is provisional. The confirmed figure will be published in the Rating and Valuation Department's "Hong Kong Property Review 2017" in April 2017. All figures exclude village houses.

2. The required figures are as below –

Year	Total number of agreements for sale and purchase ¹	Individual buyers ¹				Company buyers ¹			
		Local ²		Non-local		Local ³		Non-local	
		No. of cases	Amount involved (in million)	No. of cases	Amount Involved (in million)	No. of cases	Amount involved (in million)	No. of cases	Amount involved (in million)
2012	91 264	78 951 (86%)	\$357,524	3 524 (4%)	\$25,643	8 094 (9%)	\$97,222	695 (1%)	\$15,952
2013	57 500	54 635 (95%)	\$291,635	1 079 (2%)	\$9,225	1 715 (3%)	\$14,002	71 (0%)	\$1,299
2014	71 250	68 867 (97%)	\$424,567	1 156 (2%)	\$12,122	1 104 (1%)	\$17,235	123 (0%)	\$2,616
2015	61 524	59 302 (96%)	\$400,298	778 (1%)	\$7,893	1 273 (2%)	\$21,639	171 (0%)	\$7,307
2016	62 297	60 292 (97%)	\$425,144	1 085 (2%)	\$11,140	873 (1%)	\$16,609	47 (0%)	\$1,385

Note

¹ The figures are the number of stamping applications for agreements for sale and purchase received by the Inland Revenue Department. Figures in brackets are the respective proportions to the total figure (rounded to the nearest integer). Figures in percentages may not add up to 100% due to rounding.

² Refers to holders of Hong Kong identity cards.

³ Refers to locally-registered companies.

- End -

CONTROLLING OFFICER'S REPLY**THB(H)005****(Question Serial No. 2130)**Head: (62) Housing DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (2) Private HousingControlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)Director of Bureau: Secretary for Transport and HousingQuestion:

Please provide in the table below information on private permanent buildings in Yau Ma Tei and Mong Kok:

District Council Constituency Area	Number of buildings aged 0-29 years and numbers of flats, households and residents therein	Number of buildings aged 30-39 years and numbers of flats, households and residents therein	Number of buildings aged 40-49 years and numbers of flats, households and residents therein	Number of buildings aged 50-59 years and numbers of flats, households and residents therein	Number of buildings aged over 60 years and numbers of flats, households and residents therein
E04 Yau Ma Tei South					
E05 Charming					
E06 Mong Kok West					
E07 Fu Pak					
E08 Olympic					
E09 Cherry					
E10 Tai Kok Tsui South					
E11 Tai Kok Tsui North					
E12 Tai Nan					
E13 Mong Kok North					
E14 Mong Kok East					
E15 Mong Kok South					
E16 Yau Ma Tei North					

Asked by: Hon CHU Hoi-dick (Member Question No. 2)Reply:

The Rating and Valuation Department (RVD) compiles statistics of the number of private domestic units by district on a yearly basis. It also provides territory-wide statistics of the number of private domestic units by building age. RVD has not compiled statistics of the number of buildings, the number of units, households and residents therein by building age and District Council Constituency Area.

According to the latest record by RVD, as at end-2016, there were 112 953 private domestic units¹ in Yau Tsim Mong District. As regards the breakdown of the number of private domestic units territory-wide by building age, details are listed below –

Building Age	Number of private domestic units²
0-29 years (i.e. year built: post 1986)	614 500
30-39 years (i.e. year built: 1977-1986)	247 700
40-49 years (i.e. year built: 1967-1976)	148 700
50-59 years (i.e. year built: 1957-1966)	139 900
Over 60 years (i.e. year built: pre 1957)	8 000
Total	1 158 800³

- End -

¹ The figure is provisional. The confirmed figure will be published in “Hong Kong Property Review 2017” in April 2017. The figure excludes village houses.

² All figures exclude village houses.

³ The figure is provisional. The confirmed figure will be published in “Hong Kong Property Review 2017” in April 2017. The figure excludes village houses.

CONTROLLING OFFICER'S REPLY

THB(H)006

(Question Serial No. 1916)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Building Control

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

Director of Bureau: Secretary for Transport and Housing

Question:

In respect of the item of “dilapidated buildings” under Programme (1), it is stated that the number of “reports from members of the public attended to” in the past 2 years was 597 and 761 respectively, while the number of repairs orders issued was only 1 and 4. Please inform this Committee of:

- (1) the major categories of reports received, the reasons for the sharp increase in the number of reports received last year, and the number of reports received in these 2 years by category;
- (2) the average time taken to handle a report;
- (3) the reasons for the wide discrepancy between the number of repairs orders issued and the number of reports attended to, whether staff establishment will be increased this year, and the estimated expenditure to be involved;
- (4) in view of the inaccurate estimation of the number of reports received last year, whether provision will be made in this financial year for ad hoc staff deployment to meet additional workload despite the estimated figure drops to 550 in this financial year, and the expenditure to be involved; and
- (5) whether the Government will consider allocating additional resources for education and publicity programmes.

Asked by: Hon HO Kai-ming (Member Question No. 1)

Reply:

The Independent Checking Unit (ICU) works directly under the Office of the Permanent Secretary for Transport and Housing (Housing). In accordance with the delegated authority by the Director of Buildings and the prevailing policy and guidelines of the Buildings Department (BD), the ICU exercises building control under the Buildings

Ordinance over properties developed by the Hong Kong Housing Authority that have been sold or divested.

Among the reported cases on dilapidated buildings received by the ICU, most of them are internal spalled concrete, while other cases include defective internal plastering, fallen mosaic tiles or cracked concrete on external walls, etc. The ICU does not maintain statistical records of these reported cases by categories. Hence, the ICU cannot provide numbers of reports received by categories. The number of reports received by the ICU depends on the actual cases lodged by members of the public, which varies year by year.

Upon the receipt of reports on dilapidated building, staff of the ICU will carry out site inspections and take appropriate actions in accordance with the Buildings Ordinance, and the current policy and guidelines of BD, including issuing advisory letters and repair orders to the relevant owners. In general, the ICU will process the cases and reply the informants within 21 days. However, for complicated or special cases, longer processing time may be required.

Most of the reported cases received on dilapidated buildings involved minor internal spalled concrete and defective internal plastering. In the past 2 years, only 5 serious disrepair cases were identified which warranted the issue of repair orders. For other cases which are minor in nature and do not warrant the issue of repair orders, the ICU issued advisory letters to the owners / occupiers concerned advising them to carry out the repair works.

The ICU will closely monitor the trend of the reports received on dilapidated buildings, suitably deploy manpower and resources to ensure proper handling of each case. At present, the ICU has no plan to deploy additional resources for education and publicity programme.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)007

(Question Serial No. 1973)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

1. As at the end of 2016, what was the number of vacant interim housing (IH) units across the territory?
2. Please provide in tabular form the distribution of IH units by district.
3. At present, for persons/households affected by the Government's clearance of unauthorised structures and subsequently rehoused in transit centres, what is their general waiting time for allocation of an IH unit after completing the eligibility vetting procedures? What are the shortest and longest waiting times?

Asked by: Hon HO Kwan-yiu, Junius (Member Question No. 2)

Reply:

There are 2 Interim Housing (IH) under the purview of the Hong Kong Housing Authority (HA), namely Shek Lei IH at Kwai Chung and Po Tin IH at Tuen Mun. As at end 2016, there were 1 314 and 586 vacant units in Shek Lei IH and Po Tin IH respectively.

For persons affected by Government's clearance/enforcement actions, if they have stayed in the Transit Centre for 3 months and passed the "homeless test", subject to fulfillment of eligibility criteria for public rental housing (PRH) (including PRH income limit, asset limit and "no domestic property" rule), HA will arrange them to move to IH as soon as possible. HA has not kept statistics on the waiting time for IH after the eligibility of these persons has been confirmed.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)008

(Question Serial No. 1988)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (5) Support Services

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

Director of Bureau: Secretary for Transport and Housing

Question:

It is mentioned in the 2017-18 Budget Speech that “As regards public housing supply, for the five-year period from 2016-17 to 2020-21, estimated public housing production by the Hong Kong Housing Authority and the Hong Kong Housing Society will be about 94 500 units, including about 71 800 public rental housing units and about 22 600 subsidised sale flats.” In this connection, will the Government inform this Committee of the exact location of sites available for Home Ownership Scheme development and the number of units to be provided in each of the 18 District Council districts of Hong Kong in the next 5 years?

Asked by: Hon HO Kwan-yiu, Junius (Member Question No. 3)

Reply:

The estimated number of units and the location of the subsidised sale flats projects under the Hong Kong Housing Authority and the Hong Kong Housing Society to be completed in the coming 5 years (2016-17 to 2020-21) are set out at the Annex.

**Estimated Production of Hong Kong Housing Authority (HA)'s
Subsidised Sale Flats (SSF) (2016-17 to 2020-21)**

Estimated Time of Completion/ District	Sub-district	SSF Project	Planned Flat Number	Planned Flat Number By Sub-district
2016-17				
Urban	Wong Tai Sin	Ex-San Po Kong Flatted Factory*	857	857
Extended Urban	Kwai Tsing	Ching Hong Road*	465	465
	Tsuen Wan	Sha Tsui Road*	962	962
	Sha Tin	Mei Mun Lane, Sha Tin Area 4C*	216	504
Pik Tin Street, Sha Tin Area 4D*		288		
New Territories	Yuen Long	Wang Yip Street West*	229	229
			Sub-total	3 017
2017-18				
Extended Urban	Sha Tin	Hin Tin Street, Sha Tin Area 31*	248	248
			Sub-total	248
2018-19				
Urban	Kowloon City	Kai Tak Site 1G1(B)	700	1 300
		Sheung Lok Street	600	
	Kwun Tong	Choi Hing Road, Choi Hung	1 400	1 400
	Sham Shui Po	Cheung Sha Wan Wholesale Food Market Site 5 Phase 1	800	800
New Territories	Yuen Long	Kiu Cheong Road East, Ping Shan*	2 409	2 409
Islands	Islands	Ngan Kwong Wan Road East	200	700
		Ngan Kwong Wan Road West	500	
			Sub-total	6 600
2019-20				
Urban	Sham Shui Po	Cheung Sha Wan Wholesale Food Market Site 5 Phase 2	1 700	2 500
		Fat Tseung Street West	800	
Extended Urban	Kwai Tsing	Texaco Road	500	500
	Sha Tin	Hang Kin Street, Ma On Shan	700	700
	Sai Kung	Tseung Kwan O Area 65C2 Phase 1	1 400	1 400
	Islands	Tung Chung Area 27	1 200	1 200
			Sub-total	6 400
2020-21				
Extended Urban	Sha Tin	Au Pui Wan Street	800	1 600
		Wo Sheung Tun Street, Fo Tan	800	
New Territories	North	Queen's Hill Phase 3	3 200	3 200
			Sub-total	4 800
			Total	21 000

(Based on HA's Public Housing Construction Programme as at December 2016)

Note: Flat numbers are rounded to the nearest hundred and thus may not add up to the total due to rounding.

* These subsidised sale flats were offered for pre-sale. Figures provided are actual number of flats.

**Estimated Production of Hong Kong Housing Society (HS)'s
Subsidised Sale Flats (SSF) (2016-17 to 2020-21)**

Estimated Time of Completion/ District	Sub-district	SSF Project	Planned Flat Number	Planned Flat Number By Sub-district
2018-19				
Extended Urban	Sha Tin	Sha Tin Area 36C (Greenhill Villa)*	1 020	1 020
			Sub-total	1 020
2019-20				
Extended Urban	Sai Kung	Tseung Kwan O Area 73A	300	300
New Territories	Tuen Mun	Tuen Mun Area 2	300	300
			Sub-total	600
			Total	1 600

(Based on HS's flat production forecast as at December 2016)

Note: Flat numbers are rounded to the nearest hundred and thus may not add up to the total due to rounding.

* These subsidised sale flats were offered for pre-sale. Figures provided are actual number of flats.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)009

(Question Serial No. 2005)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Building Control

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

Director of Bureau: Secretary for Transport and Housing

Question:

Nowadays, it is extremely difficult for young people to find a living accommodation. This has given rise to an ever increasing number of subdivided units (SDUs), the rent level per square foot of which can be as high as that of luxury flats. In this connection, will the Government inform this Committee of:

1. the latest statistics on the number of SDUs, the number of households living in these units and the rent per square foot of these units by district (with the information set out in a table);
2. whether the Government has any plans to conduct a larger scale survey on SDUs this year; if yes, the existing and additional manpower as well as the estimated expenditure involved; and
3. whether the Government will take any enforcement action against SDUs in the future in order to ensure the safety of the households living therein; if not, whether the Government will consider stepping up enforcement action with a view to reducing the high fire risk the SDUs pose to the buildings?

Asked by: Hon HO Kwan-yiu, Junius (Member Question No. 5)

Reply:

1&2. We have previously commissioned the Census and Statistics Department (C&SD) to conduct a survey entitled "Thematic Household Survey (THS) on Housing Conditions" in 2015 under a contracting-out mode. The main objective of the survey was to estimate the total number of sub-divided units (SDUs) in private domestic / composite buildings aged 25 years and above in Hong Kong. Information on the socio-economic characteristics and housing conditions of households residing in SDUs was also collected in the survey. Major findings of the survey were released by C&SD via the THS Report No. 60 in March 2016. Having considered the limitation on the precision of the estimate figures concerned,

the aforementioned survey could only provide the required figures for the following 3 regions –

Region	Estimated number of SDUs	Estimated number of households living in SDUs
Hong Kong	17 800	17 600
Kowloon	51 900	51 100
New Territories	19 100	18 800
Total	88 800	87 600

Note

Owing to rounding, there may be a slight discrepancy between the sum of individual items and the total as shown in the table.

The survey had collected information on the monthly rental payment and area of SDUs. However, information on the area of SDUs was provided by respondents to the best of their knowledge. Hence, its accuracy does not support the compilation of reliable figures on rental payment per square foot.

C&SD has also collected information on the population and the number of households residing in SDUs; as well as their socio-economic characteristics in the 2016 Population By-census. The relevant statistics will be released in end-2017. We believe that these data will provide the Government with the information on the conditions of SDUs.

3. According to information provided by the Buildings Department (BD), for SDUs in domestic and composite buildings, BD has, since April 2011, launched large scale operations which aim at rectifying irregularities of building works associated with SDUs. Where actionable irregularities are identified, including those involving the blocking of means of escape, BD will issue removal orders to the owners, and consider instigating prosecution against those who fail to comply with the removal orders. As for SDUs located in industrial buildings, BD will take a more stringent enforcement action in the light of their high risk of fire. Once such SDUs are identified, BD will issue removal orders and discontinuation orders against the owners. In case of non-compliance with the orders, BD will institute prosecution against the owner concerned, as well as consider applying to the court for a closure order to close down the premises and arrange for government contractors to carry out the necessary rectification works. Meanwhile, the Development Bureau (DEVB) is formulating legislative proposals to strengthen BD's enforcement efforts against illegal domestic use in industrial buildings. Preliminary proposals include enhancing BD's power in entering suspected domestic units for investigation, and imposing criminal sanction against owners, principal tenants and directors of companies who operate such units. DEVB aims at consulting the Legislative Council on the specific proposals in Q2 of 2017.

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CONTROLLING OFFICER'S REPLY

THB(H)010

(Question Serial No. 2929)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Building Control, (4) Rehousing of Occupants upon Clearance

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

Director of Bureau: Secretary for Transport and Housing

Question:

At present, the housing shortage problem is serious. The number of applicants on the Waiting List for Public Rental Housing (PRH) has nearly reached 300 000. According to the statistics published by the Census and Statistics Department, between 2013 and 2015, the number of subdivided units (SDUs) increased by 32.7% to 88 800 and the number of people living in SDUs went up to almost 200 000. The living environment in some SDUs is very poor and many of them are plagued with structural problems and fire hazards, leaving the lives of the grassroots largely unprotected. This situation is totally unacceptable. However, noting the acute shortage in land supply, the extreme difficulties in site identification and the lead time for PRH production, there is no immediate solution to the problem. In this connection, will the Government inform this Committee of:

- (1) whether the Government will set aside financial and manpower resources to conduct a territory-wide survey on SDUs for compiling a comprehensive registry on SDUs, which will enable the Government to obtain accurate data on the overall situation and provide a basis for the formulation of support measures in the future; if yes, the details; if not, the reasons; and
- (2) whether the Government will set aside financial and manpower resources to identify and acquire sites for the provision of temporary housing conforming to the statutory requirements on structural and fire safety, with a view to addressing the imminent needs of SDU families by providing them safe temporary accommodation; if yes, the details; if not, the reasons?

Asked by: Hon IP LAU Suk-ye, Regina (Member Question No. 25)

Reply:

We have previously commissioned the Census and Statistics Department (C&SD) to conduct the "Thematic Household Survey (THS) on Housing Conditions" in 2014 and 2015 respectively under a contracting-out mode. The main objective of the surveys was to estimate the total number of sub-divided units (SDUs) in private domestic / composite

buildings aged 25 years and above in Hong Kong. Information on the socio-economic characteristics and housing conditions of households residing in SDUs was also collected in the survey. Major findings of the surveys were released by C&SD via the THS Report No. 57 in July 2015 and THS Report No. 60 in March 2016 respectively.

C&SD has also collected information on the population and the number of households residing in SDUs, as well as their socio-economic characteristics in the 2016 Population By-census. The relevant statistics will be released in end-2017. We believe that these data will provide the Government with the information on the conditions of SDUs.

According to information provided by the Buildings Department (BD), for SDUs in domestic and composite buildings, BD has since April 2011 launched large scale operations which aim at rectifying irregularities of building works associated with SDUs. Where actionable irregularities are identified, including those involving the blocking of means of escape, BD will issue removal orders to the owners, and consider instigating prosecution against those who fail to comply with the removal orders. As for SDUs located in industrial buildings, BD will take a more stringent enforcement action in the light of their high risk of fire. Once such SDUs are identified, BD will issue removal orders and discontinuation orders against the owners. In case of non-compliance with the orders, BD will institute prosecution against the owner concerned, as well as consider applying to the court for a closure order to close down the premises and arrange for government contractors to carry out the necessary rectification works.

Meanwhile, the Development Bureau (DEVB) is formulating legislative proposals to strengthen BD's enforcement efforts against illegal domestic use in industrial buildings. Preliminary proposals include enhancing BD's power in entering suspected domestic units for investigation, and imposing criminal sanction against owners, principal tenants and directors of companies who operate such units. DEVB aims at consulting the Legislative Council on the specific proposals in Q2 of 2017.

For Public Rental Housing (PRH) applicants living in SDUs, increasing the supply of PRH is the ultimate solution to address their housing needs. The Government adopts a supply-led approach under the Long Term Housing Strategy (LTHS); and updates the long term housing demand projection annually and formulates a rolling ten-year housing supply target, and spares no efforts in expediting the development and increasing the supply of PRH in order to resolve the housing problem of the lower income group at the root. In mapping out the ten-year housing supply target, we have already taken into account the housing needs of inadequately housed households (IHHs), including households living in SDUs.

Regarding the suggestion of providing transitional housing, the Government has examined this suggestion but considered it not feasible. Given the lack of urban land, suitable housing sites in urban areas should be reserved for building PRH as far as possible, as IHHs who are PRH applicants will benefit most from that. Even if urban sites could be identified for certain temporary uses, they would still require additional infrastructural works that take time to complete (such as the provision of sewerage) to make them suitable for transitional housing purpose. In any case, the size and the number of such temporary sites are bound to be very limited. They would not be able to provide the intended short term relief for a large number of IHHs.

For those who have genuine and imminent housing needs but have no other feasible means to solve their housing problems, they may approach the Social Welfare Department (SWD) for relevant welfare or assistance. SWD will assess each case. Eligible cases will be recommended to the Housing Department for early allocation of PRH through “Compassionate Rehousing”. Moreover, eligible PRH applicants, who wish to be allocated with PRH early, could consider applying for the “Express Flat Allocation Scheme”.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)011

(Question Serial No. 0423)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (5) Support Services

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

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding the potential public housing and development sites in Pok Fu Lam South, the Government stated in its reply last year that it had commenced various technical assessments on the 5 sites involved. The assessments covered ecology, environment, infrastructure, transport, visual impacts, air ventilation, etc. to study the feasibility of public housing development. In this respect, please advise on the timing for making public the findings of the assessments and the works schedule; and the details of the estimated expenditure of and staffing requirement for the works in this financial year.

Asked by: Hon KWOK Wai-keung (Member Question No. 2)

Reply:

The technical assessments for the 5 potential public housing sites at Pok Fu Lam South have been substantially completed in end 2016.

The Government has been communicating with the local communities through different channels to consult the public. For example, we distributed 3 issues of information leaflets in March and September 2016 and February 2017 to the public and Southern District Council members. We also briefed them on the development proposal and exchanged opinions with them. The Government will continue to gather and study opinions on the development proposal and make refinements. Public consultation on the findings of the study and the development proposal is anticipated to carry out in mid-2017.

As the works are yet to commence, there will be no expenses and site staff establishment for the major works of this project in this financial year.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)012

(Question Serial No. 0404)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

During 2017-18, the Housing Department will continue to provide rehousing assistance to eligible clearnees affected by government actions in land clearance and illegal rooftop structure clearance. In recent years, the Government has been identifying land for housing development, one of the means being rezoning green belts where squatters were built. As such, there may be an ever increasing number of clearnees affected by programmed squatter clearances or emergency clearances. In this connection, will the Government inform this Committee of:

1. the reasons for a 3.3% increase in the revised provision despite a decrease in the number of rehousing applications processed in 2016 over that of 2015;
2. given an estimated increase of 120 applications in 2017 over that of 2016, the grounds for the decrease in operating expenses, i.e. a 0.8% decrease in the 2017-18 provision over the revised estimate despite a 2.5% increase over the original estimate, as well as the breakdown of the operating expenses; and
3. the staff establishment for this Programme and how it differs from that of 2016-17?

Asked by: Hon LAU Ip-keung, Kenneth (Member Question No. 3)

Reply:

1. The number of rehousing cases arising from the need to assist clearnees affected by Government's squatter clearances, emergency clearances, as well as illegal rooftop structure clearances depends on the actual number of clearance operations undertaken by the Lands Department (LandsD) and the Buildings Department (BD) in that year. In 2016-17, LandsD and BD adjusted the time table of certain clearance projects, thus reducing the actual number of rehousing cases than estimated. The increase of 3.3% in the Revised Estimates of Expenditure for the year 2016-17 was mainly due to the adjustment in staff cost.

2. Although the estimated number of rehousing cases for 2017-18 has increased as compared to 2016-17, the 2017-18 Estimates of Expenditure is 0.8% less than the Revised Estimates of 2016-17. The main reason for the downward adjustment in operating expenses is the savings objectives of the Housing Department (HD). HD will flexibly deploy its staffing resources to cope with the relevant work.
3. In 2017-18, HD will deploy 29 non-directorate posts under the existing staff establishment to provide assistance to rehouse clearerees affected by Government's clearance operations; to rehouse occupants of illegal rooftop structures displaced by BD's enforcement actions; and to carry out other related work. HD has no additional staff in this aspect in 2017-18.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)013

(Question Serial No. 1260)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Building Control

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

Director of Bureau: Secretary for Transport and Housing

Question:

Under this Programme, it is mentioned that the number of buildings and flats planned to be covered by the Mandatory Building Inspection Scheme (MBIS) and the Mandatory Window Inspection Scheme (MWIS) in 2017 is adjusted downwards to 28 and 26 560 respectively due to redeployment of resources for serving inspection notices to buildings and flats identified in previous years and taking enforcement actions against non-compliant notices. In this connection, will the Government inform this Committee of:

- (1) the reasons why buildings and flats identified in previous years have not been served with inspection notices;
- (2) the number of non-compliant MBIS and MWIS cases in the past 2 years and the enforcement action taken;
- (3) the details of the redeployment of resources; and
- (4) the information on the buildings covered by MBIS and MWIS in the past 2 years?

Asked by: Hon LEUNG Che-cheung (Member Question No. 14)

Reply:

The Independent Checking Unit (ICU) works directly under the Office of the Permanent Secretary for Transport and Housing (Housing). In accordance with the delegated authority by the Director of Buildings and the prevailing policy and guidelines of the Buildings Department (BD), the ICU exercises building control under the Buildings Ordinance over properties developed by the Hong Kong Housing Authority that have been sold or divested.

In accordance with the practice of BD, the ICU first selects target buildings under the Mandatory Building Inspection Scheme (MBIS) and the Mandatory Window Inspection Scheme (MWIS) and issues pre-notification letters to the owners of the target buildings to

give them ample time to get prepared and arrange for the prescribed inspection and repair, before issuing MBIS and MWIS statutory notices.

Having regard to the general views of the community after the two schemes were launched, the ICU has slowed down the pace of implementation of the schemes in order to give more time for building owners (particularly elderly owners) to understand the new requirements and get prepared. It is because many owners have yet to acquire the necessary knowledge, skills and experience. As at end 2016, the ICU only issued MBIS and MWIS statutory notices to the owners and IOs of the first 5 batches of target buildings. The ICU plans to issue statutory notices to the owners or the IOs of the sixth and seventh batches of target buildings in 2017.

For MBIS, apart from those notices of the fourth and fifth batches of target buildings which are not yet expired and some cases granted with Extension of Time with justifiable reasons, about 3 600 statutory notices had not been complied with by end 2016. In view of the reason stated above, the ICU is issuing reminders, advisory and warning letters to encourage building owners to discharge the requirements in the statutory notices. Moreover, for owners facing hurdles such as difficulties in employing registered inspectors, the ICU will provide appropriate technical assistance as far as possible to facilitate their discharge of the requirements in the statutory notices.

For MWIS, apart from those notices of the fifth batch of target flats which havenot yet expired, the specified timeframes for the notices of the first 4 batches of target flats had gradually expired in the second half of 2016. By end of January 2017, about 2 700 notices had not been complied with. The ICU had issued reminders, advisory and warning letters for non-compliance cases of the first 2 batches of target flats and nearly 80% of these cases eventually complied with the statutory notices. The ICU will therefore adopt the same procedures for the non-compliance cases of the subsequent 2 batches of target flats. Regarding enforcement actions on the non-compliance cases of the first 2 batches of target flats, the ICU had issued penalty notices for a fine of \$1,500 to those who had not yet complied with the requirements of MWIS after the written warning.

Apart from the abovementioned extra workloads, since the community is not familiar with the 2 schemes, the ICU faced a huge amount of unexpected support work, including the repeated services of undelivered statutory notices and the handling of enquiry and requests for assistance by phone calls, emails or letters. In view of this, it is necessary for the ICU to decrease the number of target buildings and target flats selected under MBIS and MWIS so as to spare time and manpower for coping with the above extra workloads, clearing the backlog (i.e. cases that had been issued with pre-notification letters but not yet been served with statutory notices) and taking enforcement actions against non-compliance cases after written warning. We anticipate that the aforesaid extra work in providing assistance to building owners would diminish once the general public get more acquainted with the 2 schemes, the ICU can then resume the previous pace of implementation. The ICU would regularly review the overall situations and follow up when necessary.

Courts/Estates with statutory notices issued under MBIS and MWIS in the past 2 years are as below:

<p>Estates/ Courts under MBIS</p>	<p>Tsui Yiu Court, San Tsui Court, Siu On Court, Sun Tin Wai Estate, Ching Lai Court, King Shan Court, Yan Tsui Court, Yuk Po Court, Kai Tai Court, Choi Wan (I) Estate, Wang Fuk Court, Yee Kok Court, Shun Lee Estate, Lok Nga Court, Cheung Wo Court, Kai Yip Estate</p>	<p>Totally 16 Estates/ Courts (139 buildings)</p>
<p>Estates/ Courts under MWIS</p>	<p>Tsui Yiu Court, San Tsui Court, Siu On Court, Siu Hei Court, Tin Ma Court, Ching Wah Court, Long Ping Estate, On Shing Court, Hiu Tsui Court, Kwong Lam Court, Chun Wah Court, Siu Kwai Court, Ho Ming Court, King Tsui Court, Yat Nga Court, Pang Ching Court, Lung Yan Court, Ko Chun Court, Grandeur Terrace, Ching Lai Court, King Shan Court, Yan Tsui Court, Yuk Po Court, Kai Tai Court, Ching Tai Court, Yue On Court, Choi Ha Estate, Tsing Yi Estate, Fu Heng Estate, Lower Wong Tai Sin (I) Estate, Kam Lung Court, Ka Shing Court, Yu Tung Court, Lai On Estate, Ho Man Tin Estate, Hing Man Estate, Fu Tung Estate, Wang Fuk Court, Yee Kok Court, Heng On Estate, Hing Tin Estate, Nam Cheong Estate, Yiu On Estate, King Lai Court, Hong Ying Court, Siu Lung Court, Siu Pong Court, Fung Chuen Court, Kai Tsui Court, Kwong Ming Court, Ka Fuk Estate, Lok Nga Court, Cheung Wo Court, Kam On Court, King Ming Court, Po Nga Court, Fung Tak Estate, Tin Yau Court, Kwai Hong Court, Fu Cheong Estate, Hau Tak Estate</p>	<p>Totally 61 Estates/ Courts (128 179 flats)</p>

- End -

CONTROLLING OFFICER'S REPLY**THB(H)014****(Question Serial No. 3277)**

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

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

Director of Bureau: Secretary for Transport and Housing

Question:

It is mentioned in paragraph 153 of the Budget Speech that based on the preliminary assessment, "the private sector will, on average, produce about 20 300 private residential units each year in the next five years, representing an increase of about 70 per cent over the yearly average in the past five years." Regarding the average yearly production of about 20 300 units, please provide details of the sites involved and the number of units to be provided.

Asked by: Hon LEUNG Che-cheung (Member Question No. 41)

Reply:

Based on the preliminary assessment of private residential developments known to have started or to be started on disposed sites, the private sector will, on average, develop about 20 300 private residential units each year in the next 5 years (i.e. 2017-21). Details are set out in the table below. The Government has not compiled statistics on the land involved.

(Number of flats)	
Year	Forecast completions
2017	17 100
2018	19 500
2019 - 21	64 700
Total	101 300
Five-year average (2017-21)	20 300

Remarks

The figures are rounded to the nearest hundred.

The forecast completions in 2017 and 2018 are provisional figures. The confirmed figures will be published in Rating and Valuation Department's "Hong Kong Property Review 2017" in April 2017.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)015

(Question Serial No. 3279)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

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

Director of Bureau: Secretary for Transport and Housing

Question:

Please inform this Committee of the progress of the following public housing developments:

- (i) Tuen Mun Area 54
- (ii) Wang Chau in Yuen Long.

Asked by: Hon LEUNG Che-cheung (Member Question No. 42)

Reply:

- (i) Progress of the public housing developments in Tuen Mun Area 54

The construction of the Public Rental Housing (PRH) Development at Tuen Mun Area 54 Site 2 of about 4 600 flats was commenced in June 2014. It is anticipated to be completed in third quarter of 2017.

The Government is carrying out the site formation and associated road works for Tuen Mun Area 54 Sites 1&1A and Sites 3&4 (East) PRH Development. In accordance with the current programme, about 4 300 flats and 5 200 flats are scheduled for completion in 2021-22 in Tuen Mun Area 54 Sites 1&1A and Sites 3&4 (East) PRH Development respectively.

Tuen Mun Area 54 Site 4A (South) and Site 5 were rezoned to "Residential (Group A) 24" and "Residential (Group A) 25" in 2015 respectively. The Government is carrying out the detailed design of the site formation and associated road works for the public housing developments on both sites, and the Lands Department (LandsD) is preparing to issue Gazette Notice for the relevant land resumption. In accordance with the current programme, about 1 000 flats and 700 flats are scheduled for completion in 2024-25 in Tuen Mun Area 54 Site 4A (South) PRH Development and Site 5 Subsidised Sale Flats Development respectively.

(ii) Progress of Wang Chau development in Yuen Long

The Government is carrying out the detailed design of the site formation and associated infra-structural works for Wang Chau Phase 1 Public Housing Development and LandsD is preparing to issue Gazette Notice for the relevant land resumption. In accordance with the current programme, about 4 000 flats are scheduled for completion in 2024-25 in Wang Chau Phase 1 Public Housing Development. The development programme for the remaining phases of Wang Chau development will be set out upon the findings of the Engineering Feasibility Study become available.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)016

(Question Serial No. 3065)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

Please inform this Committee of:

- (1) the current ratio of private housing stock to public housing stock in Hong Kong (including the flats under construction);
- (2) the number of individual buyers and company buyers of private flats in the past 5 years, with a breakdown by origin of buyers (i.e. local, Mainland and overseas) and their respective proportions; and
- (3) the transaction amount of individual buyers and company buyers of private flats in the past 5 years, with a breakdown by origin of buyers (i.e. local, Mainland and overseas) and their respective proportions.

Asked by: Hon LEUNG Kwok-hung (Member Question No. 46)

Reply:

- (1) As at end 2016, the ratio of private housing stock to public housing stock in Hong Kong is as follows –

Type of Housing	Percentage of permanent housing stock¹
Public Housing ²	44%
Private Housing ³	56%
Total	100%

- (2) and (3) The required figures are as below –

Year	Total number of agreements for sale and purchase ⁴	Individual buyers ⁴				Company buyers ⁴			
		Local ⁵		Non-local		Local ⁶		Non-local	
		No. of cases	Amount involved (in million)	No. of cases	Amount Involved (in million)	No. of cases	Amount Involved (in million)	No. of cases	Amount Involved (in million)
2012	91 264	78 951 (86%)	\$357,524 (72%)	3 524 (4%)	\$25,643 (5%)	8 094 (9%)	\$97,222 (20%)	695 (1%)	\$15,952 (3%)
2013	57 500	54 635 (95%)	\$291,635 (92%)	1 079 (2%)	\$9,225 (3%)	1 715 (3%)	\$14,002 (4%)	71 (0%)	\$1,299 (1%)
2014	71 250	68 867 (97%)	\$424,567 (93%)	1 156 (2%)	\$12,122 (3%)	1 104 (1%)	\$17,235 (4%)	123 (0%)	\$2,616 (0%)
2015	61 524	59 302 (96%)	\$400,298 (91%)	778 (1%)	\$7,893 (2%)	1 273 (2%)	\$21,639 (5%)	171 (0%)	\$7,307 (2%)
2016	62 297	60 292 (97%)	\$425,144 (94%)	1 085 (2%)	\$11,140 (2%)	873 (1%)	\$16,609 (4%)	47 (0%)	\$1,385 (0%)

- End -

¹ The figures do not include housing units under construction.

² The figure on public housing stock is based on the administrative records of the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society (HKHS). The figure includes -
 (a) public rental housing units under HA and the HKHS, interim housing of HA, as well as flats of Senior Citizen Residences Scheme estates of the HKHS;
 (b) HA's Home Ownership Scheme (HOS), Private Sector Participation Scheme (PSPS), Middle Income Housing Scheme (MIHS), Buy or Rent Option Scheme (BRO) and Mortgage Subsidy Scheme (MSS) flats with premium not yet paid;
 (c) HKHS's Flat-for-Sale Scheme (FFSS), Sandwich Class Housing Scheme (SCHS) and Subsidised Sale Flats Projects flats with premium not yet paid; and
 (d) HA's Tenants Purchase Scheme (TPS) flats sold but with premium not yet paid.
 The figure does not include flats sold under the subsidised sale flats scheme of the Urban Renewal Authority.

³ The figure on private housing stock is based on statistics from the Census & Statistics Department. The figure includes –
 (a) private permanent residential units with Occupation Permit;
 (b) HOS, PSPS, MIHS, BRO, MSS, TPS, FFSS and SCHS flats with premium paid or those which are tradable on the open market without payment of premium; and
 (c) flats under HKHS's Urban Improvement Scheme.
 The figure does not include non-domestic quarters.

⁴ We do not have separate statistics on Mainland buyers. The figures are the number of stamping applications for agreements for sale and purchase received by the Inland Revenue Department. Figures in brackets are the respective proportions to the total figure (rounded to the nearest integer). Figures in percentages may not add up to 100% due to rounding.

⁵ Refers to holders of Hong Kong identity cards.

⁶ Refers to locally-registered companies.

CONTROLLING OFFICER'S REPLY

THB(H)017

(Question Serial No. 1502)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

One of the tasks of the Housing Department is to facilitate stable and healthy development of the private residential property market. The current-term Government has successively imposed measures, such as increasing the stamp duty and tightening the mortgage requirements, to curb the demand. In this regard, please advise:

1. whether the Government has specifically assessed the effectiveness of these measures and their impact on the sales of different categories of properties; if yes, on the details; if not, on the reasons;
2. whether the Government will devise a set of specific indicators to serve as a benchmark for tightening or relaxing the mortgage requirements and for adjusting the stamp duty in order to enhance market transparency, and introduce the indicators as appropriate and in a timely manner to prevent the property market from becoming too volatile, thus enabling the market to resume its healthy development; if yes, on the details; if not, on the reasons.

Asked by: Hon LO Wai-kwok (Member Question No. 35)

Reply:

Since November 2010, the Government has introduced several rounds of demand-side management measures, namely Special Stamp Duty (SSD) (November 2010 and October 2012), Buyer's Stamp Duty (BSD) (October 2012) and a doubled ad valorem stamp duty (DSD) (February 2013). These measures aim to prevent further exuberance in the housing market which may pose significant risks to our macroeconomic and financial stability; to ensure the healthy and stable development of the property market, which is crucial to the sustainable development of Hong Kong as a whole; and to accord priority to the home ownership needs of Hong Kong permanent residents in the midst of the present tight housing supply. To maintain banking stability and to strengthen the resilience of banks and borrowers, the Hong Kong Monetary Authority has also introduced seven rounds of

countercyclical macroprudential measures to tighten property mortgages since October 2009.

The demand-side management measures introduced by the Government have achieved their intended objectives of stabilising the property market, and are particularly effective in combating short-term speculative activities and curbing external demands. In assessing their effectiveness, the Government focuses on the general market situation, instead of a particular category of residential property. Short-term resale (including confirmor transactions and resale with 24 months) accounted for only 0.5% of the total residential property transactions in the fourth quarter of 2016, well below the monthly average of 20% in January to November 2010 (i.e. the period before the introduction of SSD). Non-local individual and non-local company buyers accounted for only 2.1% of total residential property transactions in the fourth quarter of 2016, much lower than the monthly average of 4.5% in January to October 2012 (i.e. the period before the introduction of BSD).

After a brief period of cooling down from late 2015 to early 2016, the residential property market has staged a sharp rebound since April 2016 amidst a still tight demand-supply situation and repeated delay in the United States interest rate hike. Signs of exuberance have re-emerged since the third quarter of 2016, particularly in the mass market flats, with accelerated increase in both housing prices and transactions. The residential property market is moving away from economic fundamentals again. To address the overheated residential property market, the Government introduced the New Residential Stamp Duty (NRSD) in November 2016 to increase the ad valorem stamp duty rates chargeable on residential property transactions to a new flat rate of 15%, in lieu of the prevailing DSD rates. The new measure will continue to adopt the exemption and refund arrangements provided under the existing DSD regime.

There have been signs of cooling off in the residential property market after the announcement of the new measure. On transaction volume, the monthly average number of sale and purchase agreements of private flats received by the Land Registry from December 2016 to February 2017 were 3 638 (mainly reflecting the market situation from November 2016 to January 2017, i.e. after the introduction of the new measure), representing a drop of 48% as compared with the monthly average of 7 055 cases from September to November 2016. The increase in property price also slowed down. According to figures released by the Rating and Valuation Department, the overall price index for private domestic flats in December 2016 and January 2017 (mainly reflecting market situation in November and December 2016) was 307.1 and 309.0 respectively, representing a month-on-month increase of 0.2% and 0.6% respectively, much lower than the month-on-month increase before the introduction of the new measure, i.e. 3.1% and 2.7% in September and October 2016 respectively.

Besides, according to the Inland Revenue Department's record, the number of residential property transactions subject to DSD / NRSD in December 2016, January and February 2017 were only 376, 406 and 387 respectively, representing a drop of more than 80% as compared with the monthly average of about 2 350 cases from September to November 2016. As seen from the statistics above, the new measure is effective in cooling down the residential property market.

The Government will continue to closely monitor the property market movements and the ever-changing external conditions. In considering whether relevant demand-side

management measures should be maintained or adjusted, the Government will make reference to a series of indicators, including but not limited to property prices, home purchase affordability ratio, transaction volume, flat supply, changes in local and global economies, etc.

- End -

CONTROLLING OFFICER'S REPLY**THB(H)018****(Question Serial No. 2034)**

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding the work of “implementing the Residential Properties (First-hand Sales) Ordinance (Cap. 621) to regulate the sale of first-hand residential properties” as mentioned in the Brief Description of the Estimates of Expenditure, please inform this Committee of the number of complaints received by the Sales of First-hand Residential Properties Authority since the commencement of the Ordinance with a breakdown by nature of the complaints and provide the outcome of these complaints after investigation. Also, since the implementation of the Ordinance, what has the Government done to assess its regulatory effectiveness? Will the Government make any changes to the staff establishment this year in light of the assessment results and what is the estimated expenditure to be incurred?

Asked by: Hon LUK Chung-hung (Member Question No. 3)

Reply:

Since the full implementation of the Residential Properties (First-hand Sales) Ordinance (the Ordinance) (Cap.621) from 29 April 2013 and up to the end of 2016, the Sales of First-hand Residential Properties Authority (SRPA) received 229 complaints.

A breakdown of the complaints by year and categories is as follows:

	Categories of complaints	2013 (since 29 April 2013)	2014	2015	2016	Accumulative Total
(a)	Sales brochure	4	10	12	9	35
(b)	Price list	1	1	0	4	6
(c)	Sales arrangements	14	10	6	6	36
(d)	Show flats	0	0	0	2	2
(e)	Viewing of completed residential	0	5	1	0	6

	Categories of complaints	2013 (since 29 April 2013)	2014	2015	2016	Accumulative Total
	properties					
(f)	Preliminary agreement for sale and purchase and/or agreement for sale and purchase	1	0	1	0	2
(g)	Register of transactions	1	1	0	1	3
(h)	Advertisements	2	6	15	27	50
(i)	Websites	1	0	0	0	1
(j)	Misrepresentation and/or dissemination of false or misleading information	6	15	9	10	40
(k)	Others	5	24	8	11	48
	Total	35	72	52	70	229

Among the 229 complaints aforementioned, 181 are related to the Ordinance, while the remaining 48 are not. Amongst those 181 complaints relating to the Ordinance, the offender of 1 case was prosecuted and convicted. 144 complaints are not substantiated. The SRPA is still following up on the remaining 36 complaints. Apart from conducting investigation on complaints and media enquiries received, the SRPA would initiate compliance checks on related sales documents. If there are any suspected contraventions of the Ordinance, the SRPA would carry out investigations. Since the implementation of the Ordinance, 3 cases, including 1 complaint case mentioned above and 2 self-initiated investigation cases, have been prosecuted and convicted for contraventions of the Ordinance.

Since the implementation of the Ordinance and up to end 2016, the SRPA has examined the related sales documents of 290 developments. In general, the trade has strictly complied with the requirements of the Ordinance. For example, the area and price per square foot and per square metre of a first-hand residential property are presented only in terms of saleable area; vendors have made available sales brochures for a period of at least 7 days immediately before the date of sale, price lists and sales arrangements for a period of at least 3 days immediately before the date of sale, and have waited for 3 days before offering to sell those first-hand residential properties if there are amendments made to the price lists and the sales arrangements of those residential properties. In addition, purchasers can make use of the Sales of First-hand Residential Properties Electronic Platform and the website designated by the vendor at any time to inspect various sales documents and the register of transactions for a development to get to know the sales situation of the development.

This reflects that the Ordinance has been effective in enhancing the transparency and fairness of the sales of first-hand residential properties, facilitating prospective purchasers to

get hold of sufficient sales information in making an informed decision and strengthening consumer protection.

In 2016-17, the SRPA has an establishment of 42 for implementing the Ordinance. There will be no change in the establishment of the SRPA in 2017-18.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)019

(Question Serial No. 2171)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

Over the past 2 years, the sales market for low-priced residential flats in Hong Kong has been vibrant, resulting in the emergence of extraordinary small “nano flats” with property price per square foot reaching a record high. Flats of a hundred-odd square feet become the only available choice that people can afford. In this connection, will the Government inform this Committee of:

- (1) the number of complaints against estate agents received in the past 2 years, the main reasons for the complaints, whether statistics on the total amount of money involved in property transactions relating to these complaints are available;
- (2) the licence revocation mechanism of the Estate Agents Authority (EAA), the number of estate agents with their licence revoked and the main reasons for revocation, the specific work that the EAA will carry out this year to enhance the quality and standard of estate agents, and the expenditure involved; and
- (3) in respect of the extremely small-sized flats, i.e. “nano flats”, whether the Government has allocated additional resources to centrally handle complaints on the sales of these flats and has initiated investigations on the related matters such as sales description and information; if yes, whether additional manpower will be provided this year, and the expenditure to be involved?

Asked by: Hon LUK Chung-hung (Member Question No. 4)

Reply:

- (1) In 2015-16 to 2016-17 (up to end February 2017), the Estate Agents Authority (EAA) received 774 complaints against licencees. The complaints mainly involved provision of inaccurate or misleading property information (e.g. area of property and mortgage application); improper handling of the provisional agreement for sale and purchase/provisional agreement for lease or failure to explain such agreement to clients; issue of non-compliant advertisements; and failure to sign with clients or

explain to them the estate agency agreement, etc. The EAA does not have statistics on the amount of money involved in property transactions relating to the complaints.

- (2) If the EAA considers that a licensee no longer meets the relevant licensing requirements, it may revoke his/her licence in accordance with the Estate Agents Ordinance (EAO) (Cap. 511). The EAO also stipulates that a person whose licence has been revoked is not entitled to apply for a licence within the period of 12 months commencing from the date of the revocation.

In 2015-16 to 2016-17 (up to end February 2017), licences of 83 licensees were revoked as the EAA considered that they no longer meet the relevant licensing requirements due to various reasons, including 32 licencees whose licences were revoked due to convictions of criminal offences.

The EAA is committed to enhancing the professionalism and service standard of estate agents. In 2017-18, the EAA will continue to review the contents of the qualifying examinations; update the existing practice circulars or issue new ones in the light of the latest situation and laws; educate the trade on the compliance with new standards and regulations; monitor their compliance through inspections of estate agencies; monitor licencees' conduct in relation to the sale of first-hand residential properties; and enhance the voluntary Continuing Professional Development Scheme. Moreover, the EAA will continue to take disciplinary actions against licencees who are found to have breached the EAO, or the Code of Ethics or practice circulars issued by the EAA. The EAA will review the effectiveness of these measures from time to time and introduce new measures as necessary.

Enhancing the professionalism and service standard of estate agents is an on-going work of the EAA. As an independent and self-financing body, the EAA will deploy its manpower and resources to meet its operational requirements.

The Transport and Housing Bureau will continue to liaise with the EAA to enhance the professionalism and service standard of estate agents. This on-going function forms part of the duties of a team under Deputy Secretary for Transport and Housing (Housing). We do not have a breakdown on the expenditure for this particular duty.

- (3) The Sales of First-hand Residential Properties Authority (SRPA) would initiate compliance checks of related sales documents in respect of first-hand residential properties developments (including small size residential flats). The SRPA would also follow up on complaints and media enquiries received. If there are any suspected contraventions of the Residential Properties (First-hand Sales) Ordinance (Cap.621), the SRPA would carry out investigations. The compliance checks and investigations under the Residential Properties (First-hand Sales) Ordinance are routine duties of the SRPA; there is no targeted investigation against "small size residential flats".

- End -

CONTROLLING OFFICER'S REPLY

THB(H)020

(Question Serial No. 0348)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (1) Building Control
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
Director of Bureau: (Stanley YING)

Question:

What is the cumulative number of cases not yet served with inspection notices under the Mandatory Window Inspection Scheme and how many non-compliance cases are there in the backlog? What is the target number of non-compliance cases for enforcement action in 2017-18? Please provide a list of housing estates with non-compliance cases and the number of cases in each of these housing estates.

Asked by: Hon MAK Mei-kuen, Alice (Member Question No. 1)

Reply:

The Independent Checking Unit (ICU) works directly under the Office of the Permanent Secretary for Transport and Housing (Housing). In accordance with the delegated authority by the Director of Buildings and the prevailing policy and guidelines of the Buildings Department (BD), the ICU exercises building control under the Buildings Ordinance over properties developed by the Hong Kong Housing Authority that have been sold or divested.

In accordance with the practice of BD, the ICU first selects target buildings under the Mandatory Window Inspection Scheme (MWIS) and issues pre-notification letters to the owners of the target buildings to give them ample time to get prepared and arrange for the prescribed inspection and repair, before issuing statutory notices.

Having regard to the general views of the community after the MWIS was launched, the ICU has slowed down the pace of implementation of the scheme in order to give more time for building owners (particularly elder owners) to understand the new requirements and get prepared. It is because many owners have yet to acquire the necessary knowledge, skills and experience. Therefore, since August 2014, the ICU has only issued MWIS statutory notices to about 142 000 flats for the first 5 batches of target flats. About 75 000 target flats were selected and issued with pre-notification letters in 2015 and after (i.e. sixth to ninth batches) but not yet been served with statutory notices.

Among the first 4 batches of MWIS statutory notices issued by the ICU, some cases had applied for and were granted with Extension of Time with justifiable reasons. Apart from these cases, the specified timeframes for the remaining statutory notices had gradually expired. By the end of January 2017, approximately 2 700 MWIS notices had not been complied with.

In 2016, the ICU issued penalty notices to the owners of about 660 non-compliance cases in the first 2 batches of target flats for a fine of \$1,500 each. In 2017-2018, the ICU will further issue penalty notices for the non-compliance cases in the third and fourth batches. As some statutory notices might eventually be complied with at a later stage, the anticipated number of non-compliance cases in individual courts/estates that requires the issuance of penalty notices is tabulated below -

Third Batch Target Buildings		Fourth Batch Target Buildings	
Courts/Estates	Anticipated No. of Cases that Require Issue of Penalty Notice	Courts/Estates	Anticipated No. of Cases that Require Issue of Penalty Notice
Ching Lai Court	32	Wang Fuk Court	45
King Shan Court	29	Yee Kok Court	19
Yan Tsui Court	4	Heng On Estate	150
Yuk Po Court	34	Hing Tin Estate	53
Kai Tai Court	20	Nam Cheong Estate	32
Ching Tai Court	47	Yiu On Estate	57
Yue On Court	34	King Lai Court	19
Choi Ha Estate	33	Hong Ying Court	22
Tsing Yi Estate	95	Siu Lung Court	17
Fu Heng Estate	69	Siu Pong Court	17
Lower Wong Tai Sin Estate (I)	81	Fung Chuen Court	12
Kam Lung Court	29	Kai Tsui Court	27
Ka Shing Court	38	Kwong Ming Court	113
Yu Tung Court	67		
Total No. of Flats 31 425	No. of Cases 612	Total No. of Flats 26 676	No. of Cases 583

- End -

CONTROLLING OFFICER'S REPLY

THB(H)021

(Question Serial No. 0349)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

With regard to the completions of private domestic flats, will the Government advise this Committee on the total completions in the past 5 financial years and estimated total completions in the coming year, with a breakdown by the Government's current classification of flats (namely Class A (saleable area less than 40 square metres), Class B (saleable area of 40 to 69.9 square metres), Class C (saleable area of 70 to 99.9 square metres), Class D (saleable area of 100 to 159.9 square metres) and Class E (saleable area of 160 square metres or above)), the distribution of various classes of flats completed or to be completed by District Council district; and whether the classification of private domestic flats for statistical purpose will be reviewed in this financial year so as to have a more detailed picture of the prevailing changes in the supply of private domestic flats, such as "nano flats" (i.e. flats with a saleable area of less than 20 square metres); if yes, the timetable and estimated expenditure of the review?

Asked by: Hon MAK Mei-kuen, Alice (Member Question No. 3)

Reply:

The breakdown on the number of private domestic flats by class and district, including annual completion figures in the past 5 years (only calendar year figures are available) as well as the forecast completion figures in 2017, are set out in **Table I** and **Table II** respectively. In compiling completion figures for previous years, the Rating and Valuation Department (RVD) will break down Class A units into units with saleable floor area less than 20 m² and units with saleable floor area between 20 m² and 39.9 m². The relevant statistics are set out in **Table I**. Relevant breakdown in respect of the forecast completion figures is not available.

Table I: Annual completion figures by class and district in the past 5 years**(Number of Flats)**

District	2012					
	A		B	C	D	E
	Less than 20 m ²	20 – 39.9 m ²				
Central and Western	-	79	175	71	198	54
Wan Chai	-	333	151	78	19	5
Eastern	-	31	74	3	-	-
Southern	-	-	23	37	296	125
Yau Tsim Mong	-	652	547	148	142	6
Sham Shui Po	-	212	82	-	2	-
Kowloon City	-	123	232	113	147	33
Wong Tai Sin	-	-	656	266	44	2
Kwun Tong	-	-	-	-	-	-
Kwai Tsing	-	-	-	-	-	-
Tsuen Wan	-	-	-	-	-	-
Tuen Mun	-	35	899	143	39	95
Yuen Long	-	46	220	57	14	51
North	-	-	-	-	-	-
Tai Po	-	-	70	289	654	210
Sha Tin	-	-	467	248	254	12
Sai Kung	-	-	900	267	1	-
Islands	-	-	-	-	17	2
OVERALL	-	1 511	4 496	1 720	1 827	595

Remarks

The figures above are provided by the RVD.

All figures exclude village houses.

Class A - saleable area less than 40 m²

Class B - saleable area of 40 m² to 69.9 m²

Class C - saleable area of 70 m² to 99.9 m²

Class D - saleable area of 100 m² to 159.9 m²

Class E - saleable area of 160 m² or above

Table I: Annual completion figures by class and district in the past 5 years (Cont'd)**(Number of Flats)**

District	2013					
	A		B	C	D	E
	Less than 20m ²	20 – 39.9m ²				
Central and Western	-	14	46	104	27	39
Wan Chai	-	-	-	-	2	7
Eastern	-	112	83	1	90	2
Southern	-	-	-	-	-	5
Yau Tsim Mong	-	-	-	-	-	-
Sham Shui Po	-	-	390	222	1	1
Kowloon City	81	22	36	10	87	31
Wong Tai Sin	-	-	-	-	-	-
Kwun Tong	-	-	77	46	1	-
Kwai Tsing	-	-	-	-	-	-
Tsuen Wan	-	-	-	-	-	17
Tuen Mun	-	-	-	-	-	-
Yuen Long	-	1 194	1 684	388	252	78
North	-	-	-	-	107	146
Tai Po	-	-	24	95	6	3
Sha Tin	-	-	571	341	-	16
Sai Kung	-	-	1 777	-	-	1
Islands	-	-	-	-	-	17
OVERALL	81	1 342	4 688	1 207	573	363

Remarks

The figures above are provided by the RVD.

All figures exclude village houses.

Class A - saleable area less than 40 m²Class B - saleable area of 40 m² to 69.9 m²Class C - saleable area of 70 m² to 99.9 m²Class D - saleable area of 100 m² to 159.9 m²Class E - saleable area of 160 m² or above

Table I: Annual completion figures by class and district in the past 5 years (Cont'd)**(Number of Flats)**

District	2014					
	A		B	C	D	E
	Less than 20m ²	20 – 39.9m ²				
Central and Western	-	402	240	51	52	5
Wan Chai	-	160	450	37	3	22
Eastern	-	136	335	7	5	-
Southern	-	-	-	-	-	12
Yau Tsim Mong	-	273	537	567	209	28
Sham Shui Po	27	334	387	10	36	1
Kowloon City	37	230	150	89	80	53
Wong Tai Sin	-	-	-	-	-	-
Kwun Tong	-	-	182	111	6	-
Kwai Tsing	-	-	-	-	-	-
Tsuen Wan	-	-	1 695	414	22	21
Tuen Mun	-	62	770	71	27	60
Yuen Long	-	220	1 369	460	14	7
North	-	83	709	48	31	1
Tai Po	-	196	337	507	20	11
Sha Tin	-	-	611	199	39	16
Sai Kung	-	-	674	1 636	122	3
Islands	-	-	-	-	-	-
OVERALL	64	2 096	8 446	4 207	666	240

Remarks

The figures above are provided by the RVD.

All figures exclude village houses.

Class A - saleable area less than 40 m²Class B - saleable area of 40 m² to 69.9 m²Class C - saleable area of 70 m² to 99.9 m²Class D - saleable area of 100 m² to 159.9 m²Class E - saleable area of 160 m² or above

Table I: Annual completions by class and district in the past 5 years (Cont'd)**(Number of Flats)**

District	2015					
	A		B	C	D	E
	Less than 20m ²	20 – 39.9m ²				
Central and Western	-	119	30	115	109	65
Wan Chai	-	481	795	103	13	26
Eastern	-	69	290	98	135	3
Southern	-	-	-	-	-	8
Yau Tsim Mong	4	110	-	-	-	-
Sham Shui Po	-	185	372	20	2	13
Kowloon City	-	347	215	212	356	48
Wong Tai Sin	-	-	-	-	-	-
Kwun Tong	-	-	-	-	-	-
Kwai Tsing	-	-	-	-	-	-
Tsuen Wan	-	-	-	-	-	-
Tuen Mun	-	-	-	2	2	3
Yuen Long	28	661	587	26	41	38
North	-	-	-	-	-	-
Tai Po	47	-	362	496	334	131
Sha Tin	-	1	1 234	652	136	62
Sai Kung	-	83	426	27	55	5
Islands	-	-	720	439	288	51
OVERALL	79	2 056	5 031	2 190	1 471	453

Remarks

The figures above are provided by the RVD.

All figures exclude village houses.

Class A - saleable area less than 40 m²Class B - saleable area of 40 m² to 69.9 m²Class C - saleable area of 70 m² to 99.9 m²Class D - saleable area of 100 m² to 159.9 m²Class E - saleable area of 160 m² or above

Table I: Annual completion figures by class and district in the past 5 years (Cont'd)**(Number of Flats)**

District	2016					
	A		B	C	D	E
	Less than 20m ²	20 – 39.9m ²				
Central and Western	65	405	541	248	114	51
Wan Chai	48	203	125	12	4	51
Eastern	-	-	-	-	-	-
Southern	25	102	127	2	8	118
Yau Tsim Mong	22	502	119	2	1	-
Sham Shui Po	46	441	405	-	-	-
Kowloon City	-	375	145	76	550	231
Wong Tai Sin	-	-	-	-	-	-
Kwun Tong	-	-	128	128	-	-
Kwai Tsing	-	-	-	-	-	-
Tsuen Wan	-	-	-	-	-	-
Tuen Mun	-	-	18	-	1	13
Yuen Long	-	758	1 366	128	59	14
North	-	-	-	-	-	-
Tai Po	-	-	-	-	-	-
Sha Tin	-	-	352	44	240	15
Sai Kung	-	403	1 987	773	336	262
Islands	-	542	1 849	-	12	3
OVERALL	206	3 731	7 162	1 413	1 325	758

Remarks

The figures above are provided by the RVD.

All figures exclude village houses.

Breakdown of the completion figures of Class A units in 2016 are provisional. The confirmed figures will be published in RVD's "Hong Kong Property Review 2017" in April 2017.

Class A - saleable area less than 40 m²

Class B - saleable area of 40 m² to 69.9 m²

Class C - saleable area of 70 m² to 99.9 m²

Class D - saleable area of 100 m² to 159.9 m²

Class E - saleable area of 160 m² or above

Table II: Forecast completion figures by class and district in 2017

District	(Number of Flats)				
	A	B	C	D	E
Central and Western	407	217	38	2	156
Wan Chai	274	112	-	27	43
Eastern	599	161	28	85	8
Southern	-	-	14	30	42
Yau Tsim Mong	671	12	-	-	-
Sham Shui Po	153	4	-	-	-
Kowloon City	924	2 193	573	127	8
Wong Tai Sin	-	-	-	-	-
Kwun Tong	-	-	-	-	-
Kwai Tsing	-	-	-	-	-
Tsuen Wan	160	328	443	43	1
Tuen Mun	418	840	277	139	109
Yuen Long	977	2 713	515	146	32
North	-	-	-	-	-
Tai Po	-	-	-	-	-
Sha Tin	-	8	12	152	187
Sai Kung	498	1 402	443	81	28
Islands	28	124	58	46	6
OVERALL	5 109	8 114	2 401	878	620

Remarks

The figures above are provided by the Rating and Valuation Department (RVD).

All figures exclude village houses.

The figures are provisional. The confirmed figures will be published in RVD's "Hong Kong Property Review 2017" in April 2017.

Class A - saleable area less than 40 m²

Class B - saleable area of 40 m² to 69.9 m²

Class C - saleable area of 70 m² to 99.9 m²

Class D - saleable area of 100 m² to 159.9 m²

Class E - saleable area of 160 m² or above

- End -

CONTROLLING OFFICER'S REPLY

THB(H)022

(Question Serial No. 0350)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (-) Not specified
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

To support the Housing Authority (HA) in implementing the 10-year public housing construction programme, the Financial Secretary allocated \$27.5 billion to establish the Housing Reserve (the Reserve) in 2014 and another \$45 billion to the Reserve in the last financial year. The Reserve now amounts to \$77 billion. To ensure the annual public housing production target is met, will the Government in this financial year consider conducting a study on the options, including collaboration between HA and public organisations such as the Hong Kong Housing Society and the Urban Renewal Authority, to make good use of the Reserve for expediting the acquisition and redevelopment of aged buildings in the urban areas, with a view to increasing and accelerating the public housing supply in the urban areas? If yes, what will be the staffing requirement for and expenditure of the study?

Asked by: Hon MAK Mei-kuen, Alice (Member Question No. 5)

Reply:

The Housing Department has not conducted any study regarding the proposal to expedite the acquisition and redevelopment of aged buildings in the urban areas with a view to increasing and accelerating the public housing supply in the urban areas.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)023

(Question Serial No. 1217)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

With regard to the completion of private domestic flats, will the Government advise this Committee on:

- a the total completions in the past 5 financial years and estimated total completions in the coming year, with a breakdown by the current classification of flats by the Rating and Valuation Department (namely Classes A to E);
- b whether the Government has, in view of the increasing number of micro flats in the market, any plans to revise the current classification of flats so as to have a more accurate picture of the market supply situation; and
- c whether the Government has any plans to impose a restriction on the minimum size of flats available for sale; if not, the reasons?

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 10)

Reply:

Having consolidated information from the Development Bureau and the Rating and Valuation Department (RVD), our reply is as follows –

- a & b The breakdown on the number of private domestic flats by class, including annual completion figures in the past 5 years (only calendar year figures are available) as well as the forecast completion figures in 2017, are set out in **Table I** and **Table II** respectively. In compiling completion figures for previous years, RVD will break down Class A units into units with saleable floor area less than 20m² and units with saleable floor area between 20m² and 39.9m². The relevant statistics are set out in **Table I**. Relevant breakdown in respect of the forecast completion figures is not available.
- c It generally takes a few years' time from the disposal of residential sites to building completion, and the market condition will continue to change during this period.

Thus, the Government sees the merit to allow some flexibility for the market to react in response to the changing demand. The Government will monitor the market condition closely, and if circumstances warrant, consider imposing appropriate requirements in the Conditions of Sale for disposing individual residential sites, so as to respond to market needs in a timely manner.

Table I: Annual completion figures by class in the past 5 years

(Number of Flats)

Year	A		B	C	D	E
	Less than 20m ²	20 – 39.9m ²				
2012	-	1 511	4 496	1 720	1 827	595
2013	81	1 342	4 688	1 207	573	363
2014	64	2 096	8 446	4 207	666	240
2015	79	2 056	5 031	2 190	1 471	453
2016	206	3 731	7 162	1 413	1 325	758

Remarks

The figures above are provided by the Rating and Valuation Department (RVD).

All figures exclude village houses.

Breakdown of the completion figures of Class A units in 2016 are provisional. The confirmed figures will be published in RVD's "Hong Kong Property Review 2017" in April 2017.

Class A - saleable area less than 40 m²

Class B - saleable area of 40 m² to 69.9 m²

Class C - saleable area of 70 m² to 99.9 m²

Class D - saleable area of 100 m² to 159.9 m²

Class E - saleable area of 160 m² or above

Table II: Forecast completion figures by class in 2017

(Number of Flats)

Class	Forecast completion
A	5 109
B	8 114
C	2 401
D	878
E	620

Remarks

The figures above are provided by the RVD.

All figures exclude village houses.

The figures are provisional. The confirmed figures will be published in RVD's "Hong Kong Property Review 2017" in April 2017.

Class A - saleable area less than 40 m²

Class B - saleable area of 40 m² to 69.9 m²

Class C - saleable area of 70 m² to 99.9 m²

Class D - saleable area of 100 m² to 159.9 m²

Class E - saleable area of 160 m² or above

- End -

CONTROLLING OFFICER'S REPLY**THB(H)024****(Question Serial No. 2468)**

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (4) Rehousing of Occupants upon Clearance

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

Director of Bureau: Secretary for Transport and Housing

Question:

What is the number of clearees rehoused by the Housing Department due to the land resumption exercises carried out by the Lands Department or the enforcement actions taken by the Lands Department or the Buildings Department in each of the past 5 years? How many of these clearees reported that they have been allocated a flat in the District Council district where they originally resided? What was the expenditure on rehousing in each of the past 5 years?

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 2)

Reply:

The number of persons affected by Lands Department's squatter clearances or Buildings Department's enforcement action against illegal rooftop structures and with rehousing assistance provided by the Housing Department (HD) in the past 5 years, as well as the related operating expenditure are listed below -

	2012-13	2013-14	2014-15	2015-16	2016-17
Number of clearees	276 persons	341 persons	287 persons	466 persons	322 persons
HD's operating expenditure on rehousing clearees	\$18.4 million	\$19.8 million	\$21.2 million	\$23.9 million	\$24.7 million ¹

HD has not kept statistics on the number of clearees who reported that they have been allocated a flat in the District Council district where they originally resided.

- End -

¹ The figure for 2016-17 as quoted above is revised estimates while the figures for previous financial years are actual expenditure.

CONTROLLING OFFICER'S REPLY

THB(H)025

(Question Serial No. 2473)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

Transit centres have been much criticised for their design, dilapidated facilities and layout. In particular, the lack of partitioning therein offers insufficient protection of privacy, thereby rendering them unsuitable for occupation by families. In this connection, does the Government have any plan(s) to renovate and improve the facilities, and alter the partitioning of the transit centres? If yes, what are the details of the plan(s)? If not, what are the reasons? In addition, please provide the number of bedspaces, the occupancy and operational expenses of individual transit centres in the past 3 years.

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 3)

Reply:

The 2 Transit Centres (TCs) under the purview of the Hong Kong Housing Authority (HA) are Po Tin TC in Tuen Mun and Lung Tin TC in Tai O. As a financially autonomous public body, HA funds the operational expenditure of 2 TCs with its own resources.

The above TCs provide temporary accommodation to male singletons, female singletons and families. The TCs are equipped with various facilities including bunkers beds, independent lockers, communal kitchens, toilets, shower compartments, etc. For privacy protection, areas for accommodating families and female occupants are provided with partitions and folding doors in addition to independent lockers. The facilities in TCs are considered to be adequate to serve the basic need of a transitional and temporary accommodation. Under the principle of the rational use of public resources, there is currently no plan for enhancement of the facilities and layout of TCs.

There are 340 bed spaces at Po Tin TC. The numbers of occupants in Po Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are 187, 213 and 139 respectively. The respective operating expenses are approximately \$1.3 million, \$1.4 million and \$0.9 million.

There are 76 bed spaces at Lung Tin TC. The numbers of occupants in Lung Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are 59, 44 and 12 respectively. The respective operating expenses are approximately \$60,000, \$40,000 and \$40,000.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)026

(Question Serial No. 2495)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (-) Not Specified
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

The balance of the Housing Reserve, which was established in 2014 to support large-scale public housing development projects, now stands at \$77 billion. The sum is retained within the Exchange Fund. In this connection, will the Government inform this Committee of:

- a. the anticipated time when the Housing Authority will seek funding injection by the Government from the Housing Reserve to support its public housing development projects; and
- b. whether the Government will set a cap on the balance of the Housing Reserve; if yes, the level at which the balance will be capped and the ways in determining the cap; if no, the reasons?

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 4)

Reply:

According to the Hong Kong Housing Authority (HA)'s Budgets and Forecasts which cover the five-year period from 2016-17 to 2020-21, it is projected that HA will have sufficient financial resources to meet its recurrent expenditure and implement its public housing construction programme and maintenance programme covered in the budget and forecast period.

As a financially autonomous public body, HA funds its public housing construction programmes with its own resources. However, to achieve the public housing supply target, the HA's cash and investment balance will continue to decrease and that the Government's funding support to HA will become necessary in the longer term. Up to now, the Government has set aside about \$77 billion for the Housing Reserve, which fully demonstrates the Government's commitment to support HA financially to meet the public housing supply target.

HA will continue to conduct the annual rolling five-year budgeting process and assess its financial position and future funding requirements in accordance with the established mechanism. HA will continue to keep close dialogue with the Government. When the 2 sides have reached consensus on the quantum and timing of funding injection, the Government will, at an appropriate time, seek the approval of the Finance Committee of the Legislative Council for funding to be drawn from the Housing Reserve to support the public housing development by HA. The Government has not set a cap on the balance of the Housing Reserve.

- End -

CONTROLLING OFFICER'S REPLY**THB(H)027****(Question Serial No. 2516)**Head: (62) Housing DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (-) Not SpecifiedControlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)Director of Bureau: Secretary for Transport and HousingQuestion:

Regarding the utilisation of interim housing (IH), will the Government inform this Committee of:

- a) the number of units in and vacancy rate of individual IH estates in the past 5 years;
- b) the total expenditure on the management and maintenance of IH in the past 5 years; and
- c) the number of households living in IH units, with a breakdown by their length of stay, i.e. less than 3 years, more than 3 but less than 5 years, more than 5 but less than 10 years, and over 10 years?

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 7)Reply:

- a) There are 3 Interim Housing (IH) under the purview of the Hong Kong Housing Authority (HA), viz, Long Bin IH in Yuen Long, Shek Lei IH in Kwai Chung and Po Tin IH in Tuen Mun. HA decided in January 2014 to demolish the Long Bin IH, which has 840 units, to make way for public rental housing (PRH) development. The rehousing arrangement of all affected households was completed on 27 May 2016. In the meantime, HA has been converting vacant PRH units in Po Tin Estate into IH units in accordance with its plan. As for Shek Lei IH, there are 1 928 IH units.

The average number of units in Po Tin IH and the vacancy rates of all the IHs in the past 5 years are as follows –

Year	Po Tin IH		Long Bin IH Vacancy rate	Shek Lei IH Vacancy rate
	Average number of units	Vacancy rate		
2012-13	1 859	6.7%	33.0%	59.3%

Year	Po Tin IH		Long Bin IH Vacancy rate	Shek Lei IH Vacancy rate
	Average number of units	Vacancy rate		
2013-14	1 872	8.1%	37.3%	62.3%
2014-15	2 620	15.7%	56.0%	65.5%
2015-16	3 001	16.1%	89.6%	66.1%
2016-17 (as at 31 December 2016)	3 410	17.6%	100.0%*	68.3%

- b) As a financially autonomous public body, HA funds the total expenditure on the management and maintenance of IH. In the past 5 years, i.e. from 2012-13 to 2016-17 (as at 31 December 2016), the total expenses of IH were \$53.25 million, \$83.57 million, \$76.82 million, \$77.48 million and \$48.97 million respectively.
- c) The Housing Department has not kept the statistics on the length of stay of occupants of IH.

* HA decided in January 2014 to clear the Long Bin IH to make way for PRH development. The rehousing arrangement of all affected households was completed on 27 May 2016.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)028

(Question Serial No. 2523)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

With regard to the work of “collecting data, compiling and maintaining a database on private housing supply” and “monitoring developments in the private residential property market”, will the Government inform this Committee of:

- a. the manpower and estimated expenditure involved in the past 3 years and to be involved in 2017-18;
- b. whether the data collected by the Department include the time required by the developers at various stages of development, i.e. from execution of land lease to submission of building plans; from submitting the plans to obtaining the Consent on Commencement of Building Works; from commencement of works to receipt of the Occupation Permit; and from obtaining the Permit to offering the flats for first public sale.

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 8)

Reply:

- a. Since 2004, the Transport and Housing Bureau (THB) (and the former Housing, Planning and Lands Bureau) has set up and maintained a private housing database, and has published data on the estimated supply of private residential flats on its website on a quarterly basis. As such work is an on-going function of THB and forms part of the duties of a team under the Deputy Secretary for Transport and Housing (Housing), we do not have a breakdown on the manpower involved and estimated expenditure for this particular duty.
- b. The information contained in the aforementioned database is collected from relevant Government departments. Examples of the information collected are the number of flats stated on the Notification of Commencement of Foundation Work and the Notification of Commencement of General Building and Superstructure Work filed

with the Buildings Department (BD) by contractors; the number of flats stated on Occupation Permits issued to private residential projects by BD; the number of primary residential transactions filed with the Land Registry, etc. The time required by individual development projects at various stages of development is affected by many factors, including the size of the project; complexity of the development process; the number of units to be provided; supply of construction workers and materials; whether the developers have submitted the information required to relevant government departments for approval in a timely manner, etc. Hence, the time required at various stages of development varies with different projects, and there is no uniform standard. We have not compiled statistics in this regard.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)029

(Question Serial No. 2529)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding the work of “implementing the Residential Properties (First-hand Sales) Ordinance (Cap. 621) to regulate the sale of first-hand residential properties”, will the Government inform this Committee of :

- a. the staff establishment for and estimated expenditure to be involved in this area of work in 2017-18;
- b. the number of complaints received by the Sales of First-hand Residential Properties Authority (the SRPA) since the implementation of the Residential Properties (First-hand Sales) Ordinance (the Ordinance) with a breakdown by nature of the complaints, and the outcome of these complaints after investigation;
- c. the number of site inspections conducted by the SRPA since the implementation of the Ordinance; and among them, the number of suspected cases of non-compliance with the Ordinance detected and the number of surprise visits to the developers?

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 9)

Reply:

The Sales of First-hand Residential Properties Authority (SRPA) has an establishment of 42 staff members in 2017-18 and the estimated recurrent expenditure is \$51.90 million.

Since the full implementation of the Residential Properties (First-hand Sales) Ordinance (the Ordinance) (Cap.621) from 29 April 2013 and up to the end of 2016, the SRPA received 229 complaints.

A breakdown of the complaints by year and categories is as follows:

	Categories of complaints	2013 (since 29 April 2013)	2014	2015	2016	Accumulative Total
(a)	Sales brochure	4	10	12	9	35
(b)	Price list	1	1	0	4	6
(c)	Sales arrangements	14	10	6	6	36
(d)	Show flats	0	0	0	2	2
(e)	Viewing of completed residential properties	0	5	1	0	6
(f)	Preliminary agreement for sale and purchase and/or agreement for sale and purchase	1	0	1	0	2
(g)	Register of transactions	1	1	0	1	3
(h)	Advertisements	2	6	15	27	50
(i)	Websites	1	0	0	0	1
(j)	Misrepresentation and/or dissemination of false or misleading information	6	15	9	10	40
(k)	Others	5	24	8	11	48
	Total	35	72	52	70	229

Among the 229 complaints aforementioned, 181 are related to the Ordinance, while the remaining 48 are not. Amongst those 181 complaints relating to the Ordinance, the offender of 1 case was prosecuted and convicted. 144 complaints are not substantiated. The SRPA is still following up the remaining 36 complaints. Apart from conducting investigation on complaints and media enquiries received, the SRPA would initiate compliance checks on related sales documents. If there are any suspected contraventions of the Ordinance, the SRPA would carry out investigations. Since the implementation of the Ordinance, 3 cases, including 1 complaint case mentioned above and 2 self-initiated investigation cases, have been prosecuted and convicted for contraventions of the Ordinance.

The SRPA would, depending on the different situation of the case and sales, conduct site inspections, including surprise inspections, to sales offices and show flats. If there are any suspected contraventions of the Ordinance, the SRPA would carry out investigations. Since the implementation of the Ordinance and up to end 2016, the SRPA conducted 2 720 site inspections.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)030

(Question Serial No. 2534)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (5) Support Services

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

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding the overall public and private housing statistics, will the Government inform this Committee of:

- a. the number of private permanent housing flats; and with regard to these flats, the respective population and numbers of households living in owner-occupier accommodation and rental flats;
- b. the respective numbers and vacancy rates of existing HOS, SCHS and TPS flats, and the population and number of households living in each of these types of subsidised sale flats;
- c. the respective numbers and vacancy rates of existing HOS, SCHS and TPS flats with the premium paid, and the population and number of households living in each of these types of subsidised sale flats with the premium paid; and
- d. the respective numbers of public and private residential buildings and flats aged over 20, 25, 30 and 40 years?

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 11)

Reply:

- a. Based on the latest record of the Rating and Valuation Department (RVD), the stock of private residential units¹ was 1 158 800² as at the end of 2016. RVD does not compile statistics of households and population living in these units.

¹ According to the "Hong Kong Property Review 2016", private residential unit is defined as independent dwellings with separate cooking facilities and bathroom (and/or lavatory). It does not include village houses, units in rental estates built by HA and HKHS, units sold under the Tenants Purchase Scheme, subsidised sale flats and Government-owned quarters.

² The figure is provisional. The confirmed figure will be published in the "Hong Kong Property Review 2017" in April 2017.

According to the “Hong Kong 2016 Population By-census – Summary Results” published by the Census and Statistics Department (C&SD), in 2016, there were about 1 329 900 domestic households living in private permanent housing³, which involved a population of about 3.9 million persons⁴. C&SD is preparing detailed statistics on whether these households are owner-occupiers or tenants of private residential units. These statistics are expected to be available in mid-2017.

- b. Subsidised sale flats refer to those with premium not yet paid, hence still being subsidised by the Government. Flats with premium paid/no need to pay premium⁵ and can be transacted in the open market are not included. According to the records of the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society (HKHS), as at the end of 2016, there were about 399 200⁶ subsidised sale flats under HA and the HKHS, including about 250 500 units under HA’s Home Ownership Scheme (HOS)⁷, about 132 200 units under HA’s Tenants Purchase Scheme (TPS), about 8 900 units under HKHS’ Flat for Sale Scheme (FFSS), about 6 500 units under HKHS’ Sandwich Class Housing Scheme (SCHS) and about 1 000 units under HKHS’ Subsidised Sale Flats Projects.

According to the “Hong Kong 2016 Population By-census – Summary Results”, there were about 384 000 households living in subsidised sale flats⁸ in 2016, accommodating about 1.16 million persons⁴. We do not have statistics on the vacancy situation of subsidised sale flats.

- c. According to the records of HA and HKHS, as at the end of 2016, there were about 73 700 HOS units and 1 900 TPS units under HA with premium paid/no need to pay premium. There were about 1 500 FFSS units and 2 400 SCHS units under the HKHS with premium paid. We do not have statistics on the population, households and vacancy situation of flats of this type.
- d. According to the records of HA and HKHS, as at the end of 2016, the numbers of blocks and flats of public housing under HA and HKHS (including public rental housing⁹ and subsidised sale flats) aged over 20 years, 25 years, 30 years and 40 years are as follows –

³ According to the “Hong Kong 2016 Population By-census – Summary Results”, private permanent housing includes all private residential flats (which include all flats and apartments in multi-storey blocks or houses built by the private sector mainly for residential purpose and all former subsidised sale flats (i.e. those free of alienation restrictions)); villas / bungalows / modern village houses; simple stone structures / traditional village houses; and all units of staff quarters.

⁴ Including persons not living in domestic households.

⁵ For HOS flats before Phase 3B in 1982, owners are free to dispose of their flats on the open market after the expiry of the 5-year alienation restriction period, and no premium payment is required.

⁶ Numbers are rounded to the nearest hundred and thus may not add up to the total due to rounding.

⁷ HOS flats include flats under HA’s HOS, Private Sector Participation Scheme, Middle Income Housing Scheme, Buy or Rent Option Scheme and Mortgage Subsidy Scheme.

⁸ Figure includes flats under various subsidised sale flats schemes of HA, HKHS and the Urban Renewal Authority.

⁹ Figure includes public rental housing and interim housing units of HA.

Buildings aged over	No. of Blocks	No. of Flats
20 years	1 645	about 702 100
25 years	1 283	about 552 100
30 years	755	about 328 000
40 years	145	about 57 800

As for the private sector, based on RVD's records, as at the end of 2016, the numbers of private residential units aged over 20 years, 25 years, 30 years and 40 years are as follows. RVD does not compile statistics on the number of buildings.

Buildings aged over	No. of Units
20 years	about 803 300
25 years	about 672 200
30 years	about 511 800
40 years	about 281 300

- End -

CONTROLLING OFFICER'S REPLY

THB(H)031

(Question Serial No. 2537)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (5) Support Services

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

Director of Bureau: Secretary for Transport and Housing

Question:

One of the work items under Programme (5) is monitoring the supply of suitable sites for development of public housing. In this connection, will the Government inform this Committee of:

- a. the current shortfall of land in hectares and public housing units to meet the public housing supply target of 280 000 units for the ten-year period as stipulated in the Long Term Housing Strategy; and
- b. the expenditures on land resumption, development and formation of sites for public housing in each of the past 5 years and whether these expenses were paid by the Housing Authority or the Government?

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 13)

Reply:

- a. Based on the latest demand projection, the Government has adopted 460 000 units as the total housing supply target for the ten-year period from 2017-18 to 2026-27. Based on the public/private split of 60:40 for the supply of new housing units, the supply target for public housing is 280 000 units, including 200 000 public rental units and 80 000 subsidised sale units. As reported in the "Long Term Housing Strategy Annual Progress Report 2016", assuming that all sites identified can be smoothly delivered on time for housing development, the Government has identified land for the construction of about 236 000 public housing units for the period from 2017-18 to 2026-27, representing a shortfall of about 44 000 units against the supply target. The Government will continue to adopt multi-pronged approach, and will continue with the land use review and rezoning, increase the development intensity, develop new development areas, carry out reclamation on an appropriate scale, etc., in order to increase housing land supply in the short, medium and long terms.

- b. The expenditures on land resumption, development and site formation for public housing development in each of the past 5 years are listed as below:

Year	Expenditures on Land Resumption for Public Housing (\$million)	Development and Formation of Sites for Public Housing (\$million)
2011-12	16.0	539.5
2012-13	6.1	644.4
2013-14	1.4	581.8
2014-15	105.7	538.7
2015-16	154.6	403.5

The above expenses were paid by the Government's Capital Works Reserve Fund.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)032

(Question Serial No. 2545)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Building Control

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

Director of Bureau: Secretary for Transport and Housing

Question:

In respect of the Mandatory Window Inspection Scheme (MWIS) that covers public housing, will the Government advise this Committee on:

- a. the number of batches of target buildings that have been served with statutory notices since the implementation of MWIS, along with the names of the estates/courts covered as well as the numbers of flats involved and non-compliant cases detected in each batch;
- b. the planned number of batches of estates/courts to be served with statutory notices in the coming year, along with the names of the estates/courts to be covered; and
- c. whether the Government will, before the expiry of the period specified in the statutory notices, issue reminders and warning letters to owners/tenants who have yet to comply with the statutory notices for early completion of the prescribed inspection and repair works?

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 14)

Reply:

The Independent Checking Unit (ICU) works directly under the Office of the Permanent Secretary for Transport and Housing (Housing). In accordance with the delegated authority by the Director of Buildings and the prevailing policy and guidelines of the Buildings Department (BD), the ICU exercises building control under the Buildings Ordinance over the properties developed by the Hong Kong Housing Authority that have been sold or divested.

In accordance with the practice of BD, the ICU first select target buildings under the Mandatory Window Inspection Scheme (MWIS) and issues pre-notification letters to the owners of the target buildings to give them ample time to get prepared and arrange for the prescribed inspection and repair, before issuing MWIS statutory notices.

Since the implementation of MWIS, the ICU has issued MWIS notices to 5 batches of target flats. Details are as follows:

Batches	Estates/Courts	Number of Flats	Number of Non-compliance Cases (As at Jan 2017)
First Batch	Sui Wo Court	3 501	20
	Po Lai Court	378	5
	Hong Wah Court	1 680	21
	Kam Hay Court	1 050	5
	Yan Ming Court	1 750	12
	San Wai Court	2 100	30
	Yin Lai Court	560	6
	Ka Lung Court	1 402	11
	Fu Keung Court	1 370	8
Second Batch	Tsui Yiu Court	292	6
	San Tsui Court	896	17
	Siu On Court	1 311	14
	Siu Hei Court	2 800	29
	Tin Ma Court	2 800	18
	Ching Wah Court	2 460	21
	Long Ping Estate	8 483	180
	On Shing Court	612	1
	Hiu Tsui Court	660	13
	Kwong Lam Court	1 836	21
	Chun Wah Court	232	2
	Siu Kwai Court	1 428	9
	Ho Ming Court	816	10
	King Tsui Court	608	7
	Yat Nga Court	1 224	7
	Pang Ching Court	816	13
	Lung Yan Court	360	8
	Ko Chun Court	1 616	15
	Grandeur Terrace	4 100	0
	Third Batch	Ching Lai Court	970
King Shan Court		1 584	33
Yan Tsui Court		304	5
Yuk Po Court		1 248	39
Kai Tai Court		624	22
Ching Tai Court		2 180	53
Yue On Court		1 960	38
Choi Ha Estate		2 277	37
Tsing Yi Estate		3 220	107
Fu Heng Estate		5 850	77
Lower Wong Tai Sin (I) Estate		4 736	91

Batches	Estates/Courts	Number of Flats	Number of Non-compliance Cases (As at Jan 2017)
	Kam Lung Court	1 400	33
	Ka Shing Court	2 432	43
	Yu Tung Court	2 640	75
	Lai On Estate	1 424	0
	Ho Man Tin Estate	3 939	0
	Hing Man Estate	1 998	0
	Fu Tung Estate	1 664	0
Fourth Batch	Wang Fuk Court	1 984	187
	Yee Kok Court	694	121
	Heng On Estate	6 030	419
	Hing Tin Estate	2 448	137
	Nam Cheong Estate	1 898	122
	Yiu On Estate	4 798	227
	King Lai Court	700	61
	Hong Ying Court	816	62
	Siu Lung Court	612	42
	Siu Pong Court	612	48
	Fung Chuen Court	612	36
	Kai Tsui Court	1 216	85
	Kwong Ming Court	4 256	not yet expired
	Ka Fuk Estate	2 015	0
Fifth Batch	Lok Nga Court	1 331	not yet expired
	Cheung Wo Court	1 584	not yet expired
	Kam On Court	1 050	not yet expired
	King Ming Court	1 050	not yet expired
	Po Nga Court	2 448	not yet expired
	Fung Tak Estate	5 407	not yet expired
	Tin Yau Court	1 824	not yet expired
	Kwai Hong Court	701	not yet expired
	Fu Cheong Estate	6 005	not yet expired
	Hau Tak Estate	4 297	not yet expired
	Total 70 Estates/Courts	Total 141 979 Flats	Total 2 745 Cases

The ICU plans to issue statutory notices for the sixth and seventh batches of target flats, which involve 18 estates/courts, or about 41 000 flats. Considering that the selected target flats may subsequently be withdrawn from the list due to various reasons, and the information is of sensitive nature, the ICU currently will only upload the list of buildings already served with the statutory MWIS notices to the Housing Department's website for public's reference.

Under the MWIS, if the statutory notices are not complied with within the specified timeframe, the ICU will first send letters to the Incorporated Owners concerned asking their assistance to remind the individual owners. The ICU will then issue warning letters to

those owners who, without reasonable excuse, do not comply with the notices to encourage them to carry out prescribed window inspection and, if necessary, prescribed repair and submit the related specified forms as soon as possible so as to avoid receiving fixed penalty notices served by the ICU.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)033

(Question Serial No. 2612)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

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

Director of Bureau: Secretary for Transport and Housing

Question:

As stated in the Budget Speech, “the Housing Reserve, which was established in 2014 to support large-scale public housing development programme, now stands at \$77 billion.” In the next 5 financial years, what is the Government’s plan to make use of the Housing Reserve and what will be the planned public housing flat production each year?

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 50)

Reply:

Based on the estimation as at December 2016, the total public housing production from the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society in the 5 years from 2016-17 to 2020-21 is estimated to be about 94 500 units, comprising about 71 900 public rental housing units and about 22 600 subsidised sale flats. In which, HA will provide about 91 700 units, comprising about 70 800 public rental housing units and about 21 000 subsidised sale flats*.

According to HA’s Budgets and Forecasts which cover the five-year period from 2016-17 to 2020-21, it is projected that HA will have sufficient financial resources to meet its recurrent expenditure and implement its public housing construction programme and maintenance programme covered in the budget and forecast period. As a financially autonomous public body, HA funds its public housing construction programmes with its own resources. However, to achieve the public housing supply target, the HA’s cash and investment balance will continue to decrease and that the Government’s funding support to HA will become necessary in the longer term. HA will continue to conduct the annual rolling five-year budgeting process and assess its financial position and future funding requirements in accordance with the established mechanism. HA will continue to keep close dialogue with the Government. When the 2 sides have reached consensus on the quantum and timing of funding injection, the Government will, at an appropriate time, seek the approval of the Finance Committee of the Legislative Council for funding to be drawn from the Housing Reserve to support the public housing development by HA.

*Note: Flat numbers are rounded to the nearest hundred and thus not added up to the total.

CONTROLLING OFFICER'S REPLY

THB(H)034

(Question Serial No. 2732)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (5) Support Services

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

Director of Bureau: Secretary for Transport and Housing

Question:

Please set out in a table the projects to commence in 2017-18, with information on the public housing estates to be involved, project estimates and estimated completion dates.

Asked by: Hon OR Chong-shing, Wilson (Member Question No. 40)

Reply:

As a financially autonomous public body, the Hong Kong Housing Authority (HA) funds its public housing programmes with its own resources. The Government's expenses under the Capital Works Reserve Fund Head 711 are for the implementation of housing-related infrastructural and community facility projects responsible by the Government, while HA would fund the construction cost of public housing.

Under The Capital Works Reserve Fund Head 711 and based on the latest forecast, the projects scheduled for commencement in 2017-18 and their relevant information are at **Annex**.

<u>Item</u>	<u>Project Title</u>	<u>Related Public Housing Development</u>	<u>Project Estimate</u> (in money-of-the-day prices)	<u>Anticipated Project Completion Date</u>
1	Site formation and infrastructure works for public housing developments at Chung Nga Road and Area 9, Tai Po – Phase 1	Public housing development at Area 9 and Chung Nga Road East, Tai Po	\$1,146.8 million	End-2022
2	Road improvement works at Ma On Shan, Sha Tin	Public housing development at Ma On Shan Road and Hang Tai Road, Sha Tin	\$587.7 million	Early-2021
3	Infrastructure works for public housing development at Area 54, Tung Chung	Public housing development at Tung Chung Area 54	\$284.8 million	Mid-2020
4	Ancillary facilities block at Tsueng Kwan O Area 65C2	Public housing development at Tseung Kwan O Area 65C2	\$235.2 million	Early-2020
5	District open space adjoining public housing development at Anderson Road	Public housing development at Anderson Road	\$229.4 million	End-2019
6	Reprovisioning of recreational facilities at Hiu Ming Street Playground, Kwun Tong	Public housing development at Hiu Ming Street, Kwun Tong	\$106.3 million	End-2019

- End -

CONTROLLING OFFICER'S REPLY

THB(H)035

(Question Serial No. 3083)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

With regard to the monthly residential property transactions in the past 5 years, please provide the number of buyers who were local permanent residents and did not own any other residential property in Hong Kong (i.e. the first time home buyers).

Asked by: Hon SHIU Ka-chun (Member Question No. 65)

Reply:

According to statistics collected by the Inland Revenue Department (IRD) since the introduction of doubled ad valorem stamp duty (DSD) / New Residential Stamp Duty (NRSD)¹, among all residential property transactions involving buyers who are Hong Kong permanent residents (HKPRs), the number of monthly transactions by buyers who are not beneficial owners of any other residential property in Hong Kong at the time of transaction is set out below.

¹ The Government announced the DSD measure on 22 February 2013. According to the Stamp Duty (Amendment) (No.2) Ordinance 2014 (Amendment Ordinance) which implements the measure, any instrument executed on or after 23 February 2013 for the sale and purchase or transfer of residential or non-residential property shall be subject to ad valorem stamp duty (AVD) at Scale 1 rates (i.e. DSD rates), unless specifically exempted or provided otherwise. One of the major exemptions is where the buyer is a HKPR acting on his/her own behalf and is not a beneficial owner of any other residential property in Hong Kong at the time of acquisition of the relevant residential property. Under such circumstances, the relevant instrument is subject to lower AVD rates at Scale 2. Following scrutiny by the Legislative Council, the Amendment Ordinance was gazetted on 25 July 2014.

To further address the overheated residential property market, the Government announced the NRSD measure on 4 November 2016 to increase the AVD chargeable on residential property transactions to a flat rate of 15%. The new measure came into effect on 5 November 2016, and will adopt the exemption arrangements provided for under the aforementioned DSD regime.

Month	Residential property transactions involving HKPR-buyers	
	No. of transactions by buyers who are not beneficial owners of any other residential property in Hong Kong at the time of transaction (percentage out of the total)	Total No. of Transactions
2013		
March	1 467 (80%)	1 829
April	2 976 (84%)	3 561
May	3 438 (81%)	4 255
June	3 510 (82%)	4 267
July	3 381 (82%)	4 111
August	2 917 (82%)	3 561
September	3 041 (81%)	3 772
October	2 819 (80%)	3 505
November	2 976 (75%)	3 981
December	3 522 (72%)	4 891
2014		
January	3 672 (76%)	4 837
February	2 117 (81%)	2 606
March	3 204 (80%)	3 991
April	4 258 (81%)	5 249
May	4 607 (83%)	5 563
June	5 506 (81%)	6 818
July	5 784 (78%)	7 433
August	4 720 (76%)	6 204
September	4 552 (72%)	6 320
October	4 536 (73%)	6 254
November	3 728 (74%)	5 066
December	4 484 (75%)	6 016
2015		
January	5 197 (74%)	6 991
February	4 140 (73%)	5 681
March	2 870 (74%)	3 888
April	3 860 (72%)	5 356
May	3 504 (75%)	4 702
June	4 390 (75%)	5 874
July	3 866 (74%)	5 213
August	3 180 (75%)	4 245
September	2 917 (72%)	4 051
October	2 217 (72%)	3 075
November	2 012 (69%)	2 899
December	2 529 (71%)	3 546
2016		
January	1 565 (77%)	2 025

Month	Residential property transactions involving HKPR-buyers	
	No. of transactions by buyers who are not beneficial owners of any other residential property in Hong Kong at the time of transaction (percentage out of the total)	Total No. of Transactions
February	1 393 (79%)	1 765
March	2 331 (78%)	3 002
April	3 563 (78%)	4 563
May	3 789 (77%)	4 914
June	3 401 (77%)	4 389
July	3 389 (77%)	4 379
August	5 037 (77%)	6 539
September	6 129 (72%)	8 458
October	5 157 (75%)	6 872
November	4 255 (70%)	6 092
December	2 817 (93%)	3 042
2017		
January	3 342 (95%)	3 522
February	3 620 (93%)	3 875

Note

The figures above reflect the position as at 17 March 2017, and may be subject to further change depending on the stamping applications processed by IRD.

- End -

CONTROLLING OFFICER'S REPLY**THB(H)036****(Question Serial No. 3084)**Head: (62) Housing DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (2) Private HousingControlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)Director of Bureau: Secretary for Transport and HousingQuestion:

Please provide the monthly sales transaction figures of private residential properties in the past 5 years. How many of these transactions involved local buyers who are Hong Kong residents and how many of them involved Mainland buyers?

Asked by: Hon SHIU Ka-chun (Member Question No. 64)Reply:

We do not have separate statistics on Mainland buyers. According to the stamping applications for agreements for sale and purchase received by the Inland Revenue Department, the number of local (referring to buyers who are holders of Hong Kong identity cards) and non-local individual buyers from January 2012 to December 2016 are as follows –

Month	Total number of agreements for sale and purchase	Individual buyers	
		Local (No. of cases)	Non-local (No. of cases)
January 2012	4 162	3 395	243
February 2012	5 241	4 612	183
March 2012	13 393	11 851	439
April 2012	8 350	7 271	263
May 2012	9 031	7 925	284
June 2012	6 239	5 317	256
July 2012	6 818	5 831	352
August 2012	9 092	7 883	376
September 2012	8 299	7 093	307
October 2012	9 724	8 281	405

Month	Total number of agreements for sale and purchase	Individual buyers	
		Local (No. of cases)	Non-local (No. of cases)
November 2012	6 964	5 764	362
December 2012	3 951	3 728	54
January 2013	7 136	6 818	74
February 2013	6 858	6 589	90
March 2013	4 706	4 492	106
April 2013	3 905	3 701	72
May 2013	4 576	4 336	86
June 2013	4 471	4 336	59
July 2013	4 384	4 159	81
August 2013	3 842	3 638	72
September 2013	4 171	3 861	94
October 2013	3 752	3 589	85
November 2013	4 439	4 108	129
December 2013	5 260	5 008	131
January 2014	5 110	4 902	131
February 2014	2 741	2 656	40
March 2014	4 250	4 075	102
April 2014	5 562	5 354	103
May 2014	5 877	5 663	90
June 2014	7 103	6 947	91
July 2014	8 014	7 740	149
August 2014	6 780	6 561	77
September 2014	6 974	6 661	102
October 2014	6 777	6 558	117
November 2014	5 510	5 364	80
December 2014	6 552	6 386	74
January 2015	7 599	7 362	68
February 2015	6 183	6 019	60
March 2015	4 417	4 200	46
April 2015	5 864	5 673	77
May 2015	5 136	5 013	58
June 2015	6 403	6 227	61
July 2015	5 806	5 600	67
August 2015	4 636	4 524	43

Month	Total number of agreements for sale and purchase	Individual buyers	
		Local (No. of cases)	Non-local (No. of cases)
September 2015	4 511	4 383	67
October 2015	3 531	3 313	57
November 2015	3 381	3 168	66
December 2015	4 057	3 820	108
January 2016	2 338	2 252	38
February 2016	1 990	1 929	26
March 2016	3 374	3 244	70
April 2016	5 034	4 884	91
May 2016	5 468	5 307	103
June 2016	4 836	4 689	86
July 2016	4 831	4 705	101
August 2016	7 074	6 922	92
September 2016	9 065	8 860	116
October 2016	7 575	7 308	128
November 2016	7 156	6 765	162
December 2016	3 556	3 427	72

- End -

CONTROLLING OFFICER'S REPLY

THB(H)037

(Question Serial No. 2317)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

The Housing Department provides temporary shelter to people rendered homeless as a result of disasters, emergency incidents or Government clearance operations. The two shelters are Po Tin Transit Centre in Tuen Mun and Lung Tin Transit Centre in Tai O. Please provide information on the occupancy (person-times), operating expenses and staff establishment of these transit centres in the past 3 financial years, as well as the existing number of occupants in the centres and the reasons for admission.

Asked by: Hon TAM Man-ho, Jeremy (Member Question No. 5)

Reply:

The 2 Transit Centres (TCs) under the purview of the Hong Kong Housing Authority (HA) are Po Tin TC in Tuen Mun and Lung Tin TC in Tai O. As a financially autonomous public body, HA funds the operational expenditure of 2 TCs with its own resources.

The numbers of occupants in Po Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are 187, 213 and 139 respectively. Most of them are rendered homeless as a consequence of government's clearance operations. Daily management, cleansing and security services of Po Tin TC are provided by Housing Department (HD)'s Property Services Contractor. Operating expenses of Po Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are approximately \$1.3 million, \$1.4 million and \$0.9 million.

The numbers of occupants in Lung Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are 59, 44 and 12 respectively. Most of them are rendered homeless as a consequence of the fire of stilt houses and the surge of sea water level caused by typhoons at Tai O. Daily management, cleansing and security services of Lung Tin TC are also provided by HD's Property Services Contractor. Operating expenses of Lung Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are \$60,000, \$40,000 and \$40,000 respectively.

- End -

CONTROLLING OFFICER'S REPLY**THB(H)038****(Question Serial No. 3278)**Head: (62) Housing DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (2) Private HousingControlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)Director of Bureau: Secretary for Transport and HousingQuestion:

Please advise on the total number of new private domestic flats completed in the past 6 years, with a breakdown by saleable area (i.e. less than 10 square metres, less than 15 square metres and less than 20 square metres) and information on the percentage of each of these flat sizes.

Asked by: Hon TIEN Puk-sun, Michael (Member Question No. 66)Reply:

According to information provided by the Rating and Valuation Department (RVD), the number and percentage of private domestic flats with saleable area less than 20m² completed in the past 6 years (only calendar year figures are available, i.e. 2011 - 2016), together with the total number of private domestic flats completed in the same period, are listed below. RVD has not compiled a further breakdown of the completion figure of private domestic flats with saleable area less than 20m².

Year	Number of private domestic flats completed with saleable area less than 20m ² (Percentage of total)	Total number of private domestic flats completed
2011	22 (0.2%)	9 449
2012	0 (0.0%)	10 149
2013	81 (1.0%)	8 254
2014	64 (0.4%)	15 719
2015	79 (0.7%)	11 280
2016	206 (1.4%)	14 595

Remarks

All figures exclude village houses.

The completion figure of private domestic flats with saleable area less than 20m² in 2016 is provisional. The confirmed figure will be published in "Hong Kong Property Review 2017" in April 2017.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)039

(Question Serial No. 1776)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

As more and more overseas properties are put up for sale in Hong Kong, many buyers of these properties have sustained losses, complaining about non-fulfillment of promises of guaranteed rental returns and non-completion of building projects, etc. Has the Government allocated resources in the Estimates for 2017-18 for the Estate Agents Authority to explore ways to improve the Estate Agents Ordinance with a view to regulating the sales of overseas properties in Hong Kong? If yes, what is the amount of resources allocated? If not, what are the reasons?

Asked by: Hon TO Kun-sun, James (Member Question No. 16)

Reply:

Regulating the sales of non-local residential properties conducted in Hong Kong involves complicated issues and requires careful consideration.

We have consulted the Estate Agents Authority (EAA) on the proposal to strengthen the regulation of the sale of overseas properties in Hong Kong. When examining the issue, the EAA has conducted a research into the law and practices of residential property sales in a number of jurisdictions. The conclusion is that the effectiveness of the regulatory scheme would be doubtful, as it usually would only apply to licensed estate agents but not the vendors of overseas residential properties. Moreover, it is easy for vendors of residential properties situated outside Hong Kong to directly carry out their sales and promotional activities in Hong Kong through the internet, which adds difficulty in law enforcement.

In response to the community's concern about this issue in the past, the EAA and the Consumer Council have stepped up their public education efforts to raise public awareness of the risks of purchasing residential properties situated outside Hong Kong. In addition, the EAA has all along attached great importance to the conduct of licencees of the estate agency trade. According to the Code of Ethics issued by the EAA, licencees shall provide services to clients with honesty, fidelity and integrity. They should protect their clients against fraud, misrepresentation or any unethical practices in connection with real estate transactions. Hence, if a licencee is involved in the sale of an overseas property and is in

breach of the Code of Ethics mentioned above, the EAA will follow up and investigate, and may take disciplinary action against the licensee. The Government will continue to work with the EAA and Consumer Council to closely monitor the situation.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)040

(Question Serial No. 1824)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

Does the estimate for rehousing of occupants upon clearance cover the rehousing of occupants displaced by the Government's enforcement action against illegal subdivided units? If yes, please advise on the proportion of the estimate to be spent on this area; if no, the reasons.

Asked by: Hon WAN Siu-kin, Andrew (Member Question No. 52)

Reply:

The Housing Department (HD) mainly provides rehousing assistance to eligible clearances affected by the Lands Department (LandsD)'s programmed squatter clearances; occupants of illegal rooftop structures displaced by the Building Department (BD)'s enforcement actions; and victims of natural disasters and other emergency incidents. Occupants of illegal subdivided units who are affected by clearance actions would need to find their own alternative accommodation. However, it is the Government's policy not to render anybody homeless as a result of its enforcement action, natural disaster or emergency incident. Therefore, temporary accommodation at Po Tin Transit Centre in Tuen Mun will be provided to the affected households through referrals by the government departments concerned (e.g. BD, LandsD, Bailiff's Office, etc.). If the affected households have lived in the transit centre for 3 months and passed the "homeless test" to prove that they have no alternative accommodation, subject to their fulfillment of the eligibility criteria for public rental housing (PRH), they will be offered interim housing in the New Territories and await flat allocation through the PRH application.

For those who have genuine and imminent housing needs on medical or social grounds but have no other feasible means to solve their housing problems, they may approach the Social Welfare Department (SWD) for relevant welfare or assistance. SWD will assess each case. Eligible cases will be recommended to HD for early allocation of PRH through "Compassionate Rehousing".

- End -

CONTROLLING OFFICER'S REPLY

THB(H)041

(Question Serial No. 3268)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Building Control

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

Director of Bureau: Secretary for Transport and Housing

Question:

In 2015 and 2016, the numbers of mandatory building inspection notices issued were 4 766 and 4 144 respectively but the numbers of notices discharged were only 7 and 775. In this connection, please inform this Committee of the form of follow-up action taken by the Government against non-compliant owners and the number of follow-up cases by form of action; whether the Government has analysed the reasons for non-compliance by owners; if yes, the reasons for non-compliance in detail and if no, why not.

Asked by: Hon WAN Siu-kin, Andrew (Member Question No. 51)

Reply:

The Independent Checking Unit (ICU) works directly under the Office of the Permanent Secretary for Transport and Housing (Housing). In accordance with the delegated authority by the Director of Buildings and the prevailing policy and guidelines of the Buildings Department (BD), the ICU exercises building control under the Buildings Ordinance over properties developed by the Hong Kong Housing Authority that have been sold or divested.

In accordance with the practice of BD in implementing the Mandatory Building Inspection Scheme (MBIS), the ICU first selects target buildings and issues pre-notification letters to owners or Incorporated Owners (IOs) of the target buildings to give them ample time to get prepared and arrange for the prescribed inspection and repair, before issuing MBIS statutory notices.

The ICU issued 4 batches of MBIS statutory notices in 2015 and 2016. In accordance with the practice of BD, ICU gave owners or IOs 12 months from the date of issuance of statutory notices to complete the prescribed inspections and repairs. Among these 4 batches of statutory notices, the 2 batches issued in 2016 have not yet expired; whilst the other 2 batches issued in 2015 gradually expired in 2016.

According to the information collected by the ICU, main reasons for owners or IOs' failure in discharging statutory notices before due dates are as follows -

For common areas under the responsibility of IOs

- (i) IOs need sufficient time to apply for subsidies / loans from the Hong Kong Housing Society or the Urban Renewal Authority, and to employ registered inspectors and contractors for carrying out inspections and repairs respectively;
- (ii) Taking the opportunity of proceeding MBIS works, IOs usually would carry out some other improvement works simultaneously. Hence, IOs need considerable time to prepare a proposal, consult and liaise with individual owners in order to reach a consensus on matters including the scope of works as well as tendering procedures. If there are different opinions among owners, more time will be needed to settle.

For areas under the responsibility of individual owners

- (i) Individual owners are required to carry out inspections and repairs (if necessary) for projections from their own flats e.g. balcony, flower bed and drying rack, etc. As they may encounter certain difficulties if they are to employ registered inspectors and/or contractors individually, individual owners often rely on IOs' co-ordinations and, with the assistance by property management companies, to comply with the notices. In the event that IOs fail to employ registered inspectors and contractors due to the aforesaid reasons, individual owners will be unable to discharge their notices timely.

Having regard to the above situation and the general views of the community after MBIS was launched, the ICU has slowed down the pace of implementation of the scheme in order to give time for building owners (particularly elderly owners) to understand the requirements and get prepared. It is because many owners have yet to acquire the necessary knowledge, skills and experience. For cases that cannot be complied with on time, the ICU will inquire the IOs or owners on the grounds of non-compliances and grant extensions of time if reasonable explanations are provided. Appropriate technical assistance will be provided as far as possible to facilitate their discharge of the requirements in the statutory notices. After that, the ICU will issue reminders or advisory letters to urge owners to complete the relevant works. As a last resort, the ICU will issue warning letters and consider taking prosecution action against non-compliant owners. ICU will regularly review the overall situations and follow up when necessary.

Up to this moment, the ICU has only issued reminders or advisory letters to owners. There is so far no warning letter issued or prosecution case. The ICU does not maintain statistics of various types of follow up actions taken.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)042

(Question Serial No. 0577)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

For the purpose of accurately updating the long-term housing demand projection, the Census and Statistics Department has conducted thematic household surveys on housing conditions under a contracting-out mode to estimate the total number of subdivided units (SDUs) in private buildings. In this connection, will the Government inform this Committee of the latest statistics on and the rate of change in the numbers of SDUs and households living in these units over the past 3 years by District Council district?

Asked by: Hon WONG Kwok-kin (Member Question No. 1)

Reply:

We have previously commissioned the Census and Statistics Department (C&SD) to conduct 2 surveys entitled "Thematic Household Survey (THS) on Housing Conditions" in 2014 and 2015 under a contracting-out mode. The main objective of the surveys was to estimate the total number of sub-divided units (SDUs) in private domestic / composite buildings aged 25 years and above in Hong Kong. Information on the socio-economic characteristics and housing conditions of households residing in SDUs was also collected in the survey. Major findings of the surveys were released by C&SD via the THS Report No. 57 in July 2015 and THS Report No. 60 in March 2016. Having considered the limitation on the precision of the estimated figures concerned, the aforementioned surveys could only provide the required figures for the following 3 regions –

Region	Estimated number of SDUs			Estimated number of households living in SDUs		
	2014	2015	Year-on-year change ²	2014	2015	Year-on-year change ²
Hong Kong	17 200	17 800	+3.5%	17 100	17 600	+2.9%
Kowloon	49 800	51 900	+4.2%	49 100	51 100	+4.1%
New Territories	19 300	19 100	-1.0%	19 200	18 800	-2.1%
Total¹	86 400	88 800	+2.8%	85 500	87 600	+2.5%

Note

- ¹ Owing to rounding, there may be a slight discrepancy between the sum of individual items and the total as shown in the table.
- ² When comparing the survey results in 2014 and 2015, one should note that there is a slight difference in the coverage of buildings of these 2 surveys: the former survey covers private domestic / composite buildings (excluding village houses) built on or before 31 December 1989, whereas the latter survey covers the same type of buildings built on or before 31 December 1990. Furthermore, as figures broken down by region involve rather large sampling errors, they may not be able to reflect the actual change in the prevalence of SDUs across the 2 years in individual regions.

As C&SD has collected information on the population; number of households residing in SDUs; and their socio-economic characteristics in the 2016 Population By-census (16BC), we have not conducted another round of THS on SDUs in 2016 in order not to create nuisance to SDU households. Statistics relating to SDUs obtained from 16BC will be released by end-2017.

- End -

CONTROLLING OFFICER'S REPLY**THB(H)043****(Question Serial No. 2021)**Head: (162) Rating and Valuation DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (4) Landlord and Tenant ServicesControlling Officer: Commissioner of Rating and Valuation (TANG Ping Kwong)Director of Bureau: Secretary for Transport and HousingQuestion:

Rent Officers of the department provide free advisory services on tenancy matters to the public. Would the Government inform the Committee of the following:

1. The number of cases of enquiries and mediatory services in the last 3 years and how many of the mediation cases result in a successful outcome;
2. The details of the expenditure on the free advisory services on tenancy matters in the last 3 years; and
3. Quite a number of members of the public indicated that they have no knowledge of the services. Does the Government have any plans to step up the publicity of the services in the future to increase their utilisation rate, thereby indirectly reducing the number of cases referred to the court by the public?

Asked by: Hon HO Kwan-yiu, Junius (Member Question No. 6)Reply:

1. The respective numbers of advisory and mediatory services on tenancy matters provided by the Rating and Valuation Department (RVD) in the past 3 years (i.e. 2014-15 to 2016-17) are as below:

<u>Year</u>	<u>Advisory services</u>	<u>Mediatory services</u>
2014-15	About 156 000	171
2015-16	About 141 000	89
2016-17 (up to end February 2017)	About 109 000	32

RVD has not asked the service users on whether they consider the mediation successful.

2. The total expenditure on services rendered by RVD to landlords and tenants, including advisory and mediation services, in the past 3 years (i.e. 2014-15 to 2016-17) are listed below:

<u>Year</u>	<u>Total expenditure (\$)</u>
2014-15	29.6 million
2015-16	30.7 million
2016-17	32.0 million (estimated expenditure)

RVD does not have a breakdown on expenditure relating to advisory services.

3. The public can make requests to RVD for free advisory and mediatory services on tenancy matters through telephone calls, e-mails, fax and post. RVD also provides instant tenancy advice to enquirers through regular duty sessions of Rent Officers at the Lands Tribunal and some District Offices. RVD has been promoting its free advisory and mediatory services on tenancy matters to the public through various channels, such as its website and the distribution of publications on tenancy matters. Besides, 1823 Call Centre, the Home Affairs Department, the Police and voluntary organisations also recommend these services to those in need wherever appropriate, or refer individual cases to RVD for follow-up. RVD will, from time to time, review the publicity of the services concerned, so that more people in need will be aware of them.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)044

(Question Serial No. 3294)

Head: (711) Capital Works Reserve Fund: Housing
Subhead (No. & title): (-) Not Specified
Programme: (-) Not Specified
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

In the matters requiring special attention in 2017-2018 under this Programme, it is stated that studies will be conducted for a number of projects. In this regard, will the Government advise this Committee on the operating expenditure, staff establishment and estimated staff cost to be involved in continuing the investigation and detailed design for the development of public housing and the development site at Wang Chau in Yuen Long in 2017-2018?

Asked by: Hon CHAN Chi-chuen (Member Question No. 40)

Reply:

In 2017-18, the Civil Engineering and Development Department (CEDD) will continue to conduct investigation and detailed design for site formation and infrastructure works for the Phase 1 of public housing development at Wang Chau, Yuen Long. The supervision of the item was mainly performed by 2 professional staff, involving operational expenses of about \$2.3 million.

The above investigation and detailed design works cover the Phase 1 of public housing development at Wang Chau only. CEDD would separately conduct engineering feasibility study for the remaining phases of public housing developments at Wang Chau.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)045

(Question Serial No. 2249)

Head: (711) Capital Works Reserve Fund: Housing
Subhead (No. & title): (-) Not Specified
Programme: (-) Not Specified
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

As stated in the Matters Requiring Special Attention in 2017-18, the Civil Engineering and Development Department will continue the investigation and detailed design for the development of public housing and development sites at Chung Nga Road West in Tai Po, Wang Chau in Yuen Long, Area 48 in Fanling and Pok Fu Lam South. Will the Government advise on the following:

- (1) the expenditure on the investigation and detailed design for the above projects in 2015-16, 2016-17 and 2017-18 respectively, as well as the names of the consultants and the costs involved;
- (2) the arsenic level and cavern conditions underground according to the investigation reports of the above projects; and the details of the estimate for these projects as revised in 2017-18 having regard to the underground conditions; and
- (3) the estimated manpower and financial resources for continuing the investigation and detailed design for the development of public housing and development sites at Chung Nga Road West in Tai Po, Wang Chau in Yuen Long, Area 48 in Fanling and Pok Fu Lam South in 2018-19; and whether the expenditure on consultation with affected residents is covered?

Asked by: Hon CHU Hoi-dick (Member Question No. 15)

Reply:

- (1) Information of the investigation and detailed design for the projects under the Capital Works Reserve Fund Head 711 (Housing) is as below:

Site Formation and Infrastructural Works for Development Sites	Consultant	Consultancy fee			Other Associated Costs (such as site investigation)		
		2015-16 (\$M)	2016-17 (\$M)	2017-18 (\$M) (estimated)	2015-16 (\$M)	2016-17 (\$M)	2017-18 (\$M) (estimated)
Chung Nga Road West, Tai Po	Ove Arup & Partners Hong Kong Ltd	0*	0*	0*	0	0	3.1
Phase 1 Wang Chau, Yuen Long #	Ove Arup & Partners Hong Kong Ltd	1.6	1.5	1.4	0	0.3	3.6
Area 48, Fanling	Ove Arup & Partners Hong Kong Ltd	0.9	1.0	0.6	0	1.4	0
Pok Fu Lam South	Ove Arup & Partners Hong Kong Ltd	0	2.8	6.2	0	0	0

The information does not include the remaining phases of public housing developments at Wang Chau, Yuen Long. The Civil Engineering and Development Department will engage consultants for an engineering feasibility study for the remaining phases of public housing development at Wang Chau.

* The project is at its initial investigation stage and the consultancy fee for its respective works is less than \$0.05M.

- (2) The site investigation works for the above projects are either yet to be conducted or have not yet completed and therefore the completed information on the underground condition is not yet available. There is no revision to the estimates for such projects in 2017-18 for the time being.

- (3) The manpower and financial provision in 2018-19 is not available at this stage.

- End -

CONTROLLING OFFICER'S REPLY**THB(H)046****(Question Serial No. 3296)**

Head: (711) Capital Works Reserve Fund: Housing

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

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

Director of Bureau: Secretary for Transport and Housing

Question:

The Government is conducting feasibility studies/preliminary development review for a number of sites. In this connection, please advise on the planned progress of the following projects in 2017-18 and their anticipated completion time:

- (i) feasibility studies/preliminary development review for potential public housing sites at Tuen Mun;
- (ii) engineering feasibility studies for potential public housing and development sites at Yuen Long; and
- (iii) preliminary development review for Tuen Mun Central.

Asked by: Hon LEUNG Che-cheung (Member Question No. 44)

Reply:

In 2017-18, the Civil Engineering and Development Department will continue to conduct / commence 5 engineering feasibility studies or preliminary development review for potential public housing sites at Yuen Long and Tuen Mun under Head 711 (Housing) of Capital Works Reserve Fund. The relevant information is as below:

Item	Location of the site	Anticipated progress in 2017-18	Anticipated completion date
Feasibility Studies/ Preliminary Development Review for potential public housing sites at Tuen Mun	San Hing Road	In Progress	Under Review
Engineering Feasibility Studies for potential public housing developments at Yuen Long	Long Bin	In Progress	2017
	Tan Kwai Tsuen	In Progress	2017

Item	Location of the site	Anticipated progress in 2017-18	Anticipated completion date
	Wang Chau Remaining Phases	Anticipate to commence in 2017	2019
Preliminary Development Review for Tuen Mun Central	Tuen Mun Central	In Progress	2017

- End -

CONTROLLING OFFICER'S REPLY**THB(H)047****(Question Serial No. 3674)**Head: (62) Housing DepartmentSubhead (No. & title): (000) Operational ExpensesProgramme: (2) Private HousingControlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)Director of Bureau: Secretary for Transport and HousingQuestion:

Please advise on the following:

1. the number of complaints received by the Sales of First-hand Residential Properties Authority (SRPA) each year since the commencement of the Residential Properties (First-hand Sales) Ordinance, as well as the number of cases substantiated, under investigation and not substantiated;
2. the details of all substantiated complaints since the commencement of the Residential Properties (First-hand Sales) Ordinance, the progress of follow-up actions, and the penalties imposed on non-compliant persons and developers;
3. the expenditure and number of staff members of SRPA in each of the past 5 years and in 2017-18;

Asked by: Hon CHAN Tanya (Member Question No. 503)Reply:

Since the full implementation of the Residential Properties (First-hand Sales) Ordinance (the Ordinance) (Cap.621) from 29 April 2013 and up to the end of 2016, the Sales of First-hand Residential Properties Authority (SRPA) has received 229 complaints.

A breakdown of the complaints by year and categories is as follows:

	Categories of complaints	2013 (since 29 April 2013)	2014	2015	2016	Accumulative Total
(a)	Sales brochure	4	10	12	9	35
(b)	Price list	1	1	0	4	6
(c)	Sales arrangements	14	10	6	6	36
(d)	Show flats	0	0	0	2	2
(e)	Viewing of completed residential properties	0	5	1	0	6

	Categories of complaints	2013 (since 29 April 2013)	2014	2015	2016	Accumulative Total
(f)	Preliminary agreement for sale and purchase and/or agreement for sale and purchase	1	0	1	0	2
(g)	Register of transactions	1	1	0	1	3
(h)	Advertisements	2	6	15	27	50
(i)	Websites	1	0	0	0	1
(j)	Misrepresentation and/or dissemination of false or misleading information	6	15	9	10	40
(k)	Others	5	24	8	11	48
	Total	35	72	52	70	229

Among the 229 complaints aforementioned, 181 are related to the Ordinance, while the remaining 48 are not. Amongst those 181 complaints relating to the Ordinance, the offender of 1 case was prosecuted and convicted. 144 complaints are not substantiated. The SRPA is still following up the remaining 36 complaints. Apart from conducting investigation on complaints and media enquiries received, the SRPA would initiate compliance checks on related sales documents. If there are any suspected contraventions of the Ordinance, the SRPA would carry out investigations. Since the implementation of the Ordinance, 3 cases, including 1 complaint case above and 2 self-initiated investigation cases, have been prosecuted and convicted for contravention of the Ordinance.

The recurrent expenditures of the SRPA are below:

Year	2013-14 (Actual)	2014-15 (Actual)	2015-16 (Actual)	2016-17 (Revised Estimate)	2017-18 (Estimate)
Operational Expenses (\$m)	10.09	11.28	11.06	12.46	12.13
Personal Emoluments (\$m)	27.96	28.99	30.95	39.77	39.77
Total (\$m)	38.05	40.27	42.01	52.23	51.90

From 29 April 2013 to 31 March 2016, the SRPA had an establishment of 32 staff members to implement the Ordinance. In 2016-17, the establishment of the SRPA is 42 staff members. There will be no change in the establishment of the SRPA in 2017-18.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)048

(Question Serial No. 3675)

Head: (62) Housing Department

Subhead (No. & title): (000) Operational expenses

Programme: (4) Rehousing of Occupants upon Clearance

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

Director of Bureau: Secretary for Transport and Housing

Question:

1. whether the Government will, in 2017-2018, build more interim housing (IH) to ensure an adequate supply of IH units to accommodate all clearnees;
2. whether the Government will, in 2017-2018, ensure that IH occupants eligible for public rental housing (PRH) will be allocated PRH flats in the shortest time possible; if yes, the details and the expenditure to be involved; and
3. whether the Housing Department will, in 2017-2018, co-ordinate well with the Urban Renewal Authority, the Buildings Department and the Lands Department to ensure that the affected clearnees are rehoused before clearance and land resumption exercises are carried out.

Asked by: Hon CHAN Tanya (Member Question No. 504)

Reply:

1. The Hong Kong Housing Authority anticipates that its present stock of Interim Housing (IH) should be able to meet the needs of those households who will be affected by government clearance programmes and enforcement actions. Hence, there is currently no plan to build new IH.
2. In accordance with the prevailing policy, households living in IH are required to register for public rental housing (PRH) applications. Eligible general applicants (i.e. family and elderly one-person applicants) will have 3 housing offers. The waiting time hinges on various factors, including the number of PRH applicants in the districts chosen by the applicants and the supply of new and refurbished PRH units in the districts concerned. As with all applicants for PRH, for general applicants who are living in IH, their applications will be processed according to the order of their PRH registration dates, household sizes and their choices of district. For non-elderly one-person applicants who are living in IH, their relative priority will be determined by the points which they obtained under the Quota and Points System and the quota

available. The higher the points accumulated, the earlier the applicant will be offered a PRH unit.

No additional financial expenses will be incurred as IH households are rehoused through PRH applications.

3. The Urban Renewal Authority (URA), the Buildings Department (BD) and the Lands Department (LandsD) are responsible for the clearance programmes under their own purviews. They will provide assistance to affected clearerees in accordance with their established arrangements, and rehousing to PRH is only one of the various forms of assistance rendered to the affected clearerees. The Housing Department has all along maintained close liaison with URA, BD and LandsD and will flexibly deploy resources to provide rehousing assistance to affected clearerees who are eligible for PRH.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)049

(Question Serial No. 5865)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

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

Director of Bureau: Secretary for Transport and Housing

Question:

It is stated in the Budget that funding will be drawn from the Housing Reserve, with a balance now standing at \$77 billion, to support the long-term public housing development, and that the public housing supply target for the coming 10 years is 280 000 units. Figures show that except for 2015-16, the annual production of public rental housing flats for each of the past 5 years fell below 20 000. With the number of applicants on the Waiting List for public rental housing exceeding 300 000, how will the Government make use of the \$77 billion Housing Reserve to achieve the supply target of 28 000 units on average per year, hence meeting the housing demand of low-income families?

Asked by: Hon CHEUNG Chiu-hung, Fernando (Member Question No. 1044)

Reply:

Based on the latest demand projection, the Government has adopted 460 000 units as the total housing supply target for the ten-year period from 2017-18 to 2026-27. Based on the public/private split of 60:40 for the supply of new housing units, the supply target for public housing is 280 000 units, including 200 000 public rental housing (PRH) units and 80 000 subsidised sale flats (SSFs). As reported in the "Long Term Housing Strategy Annual Progress Report 2016", assuming that all sites identified can be smoothly delivered on time for housing development, the Government has identified land for the construction of about 236 000 public housing units for the period from 2017-18 to 2026-27 and there is a shortfall against the supply target.

Based on the estimation as at December 2016, the total public housing production from the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society in the 5 years from 2016-17 to 2020-21 is estimated to be about 94 500 units, comprising about 71 900 PRH units and about 22 600 SSFs. In which, HA will provide about 91 700 units, comprising about 70 800 PRH units and about 21 000 SSFs*.

In order to achieve the housing supply target, the Government will continue to increase housing land supply in the short, medium and long term through a multi-pronged strategy,

involving land use reviews and rezoning, increasing development intensity, cultivating new development areas and reclamation on an appropriate scale. That said, the supply target cannot be achieved without community support and coordination of the planning process. On the issue of land development and rezoning, we call for all sectors in the community to accord priority to the housing need of the general public and support the implementation of the long-term housing supply target with an open mind.

As a financially autonomous public body, HA funds its public housing construction programmes with its own resources. According to HA's Budgets and Forecasts which cover the five-year period from 2016-17 to 2020-21, it is projected that HA will have sufficient financial resources to meet its recurrent expenditure and implement its public housing construction programme and maintenance programme covered in the budget and forecast period. However, the HA's cash and investment balance will continue to decrease and that the Government's funding support to HA will become necessary in the longer term. HA will continue to conduct the annual rolling five-year budgeting process and assess its financial position and future funding requirements in accordance with the established mechanism. HA will continue to keep close dialogue with the Government. When the 2 sides have reached consensus on the quantum and timing of funding injection, the Government will, at an appropriate time, seek the approval of the Finance Committee of the Legislative Council for funding to be drawn from the Housing Reserve to support the public housing development by HA.

*Note: Flat numbers are rounded to the nearest hundred and thus not added up to the total.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)050

(Question Serial No. 4556)

Head: (62) Housing Department
Subhead (No. & title): (001) Salaries
Programme: (-) Not Specified
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

Please give a breakdown of the actual and estimated expenditure on salaries, regularly-paid allowances, job-related allowances and non-accountable entertainment allowance payable to the Director in 2016-17 and 2017-18 respectively.

Asked by: Hon KWOK Ka-ki (Member Question No. 34)

Reply:

Permanent Secretary for Transport and Housing (Housing) is the Controlling Officer of Head 62 Housing Department, and also assumes the post of the Director of Housing. He is at the rank of Administrative Officer Staff Grade A1 with a monthly salary of \$273,700 (i.e. D8 on the Directorate Pay Scale). The rates of leave passage allowance for him and each of his eligible dependent children are \$74,970 and \$39,510 respectively in every 12-month period. Apart from the above, he is not entitled to any other regularly-paid allowance, job-related allowance and non-accountable entertainment allowance. The related expenditure is charged to both Head 62 Housing Department and the Hong Kong Housing Authority. Provision has been reserved for the above in the 2017-18 estimated expenditure.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)051

(Question Serial No. 4703)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Building Control

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

Director of Bureau: Secretary for Transport and Housing

Question:

One of the duties of the Housing Department is to give advice on licensing/registration applications (restaurants, places of public entertainment, tutorial schools, etc.). In this connection, please provide information on whether advice has been given on the setting up of bazaars by organisations in public housing estates; if yes, the details; if no, the reason(s).

Asked by: Hon KWOK Ka-ki (Member Question No. 209)

Reply:

For proposals to set up bazaars in public rental housing estates under the Hong Kong Housing Authority (HA), HA will act in accordance with the Government's policy concerned. On receipt of specific proposals for which support from the local community and the respective District Councils (DCs) have been secured, the Housing Department (HD) will examine the feasibility and the impact of the proposals in the light of the needs and circumstances of the estates concerned.

In the past, HD has referred proposals from community organisations for the setting up of bazaars at various locations to the Food and Health Bureau and relevant working groups under the DCs concerned. HD has also offered views depending on the circumstances. However, HD does not maintain aggregated statistics of such proposals.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)052

(Question Serial No. 4705)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Building Control

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

Director of Bureau: Secretary for Transport and Housing

Question:

The Housing Department (HD) is responsible for the management of housing estates. Earlier, the Government has stated on numerous occasions that it keeps an open mind on the setting up of bazaars by local organisations. In this connection, please inform this Committee of:

1. the procedures and criteria for processing the applications for setting up of bazaars;
2. the number of applications for setting up of bazaars processed by HD in the past 3 years, and among them, the number of successful cases where bazaars were organised; and
3. the manpower and expenditure involved in processing the applications for setting up of bazaars.

Asked by: Hon KWOK Ka-ki (Member Question No. 211)

Reply:

For proposals to set up bazaars in public rental housing (PRH) estates under the Hong Kong Housing Authority (HA), HA will act in accordance with the Government's policy concerned. On receipt of specific proposals for which support from the local community and the respective District Councils (DCs) have been secured, the Housing Department (HD) will examine the feasibility and the impact of the proposals in the light of the needs and circumstances of the estates concerned.

At present, HD has an established mechanism in place for handling applications for organising activities in PRH estates under HA. HD has all along been supporting departments and non-government organisations to organise various types of community activities in PRH estates in collaboration with the Mutual Aid Committees / Estate Management Advisory Committees and local organisations concerned, such as cultural programmes, educational promotion and exhibition activities, etc. Venues are provided for

free, but commercial / advertising activities and cash transactions at the venues are not allowed. Apart from that, HD has also been, depending on the needs and circumstances of individual estates, providing venues at a fee to relevant organisations for the provision of various non-profit making or commercial services as required by the residents, such as mobile Chinese medical clinics or physiotherapy vehicles, mobile banking, etc.

Interested parties may submit applications to respective estate management offices, which will vet and approve applications in accordance with established procedures and requirements. The work for processing applications for the setting up of bazaars is handled by HD's existing estate management staff. As the circumstances of individual estates vary, there is no breakdown of the manpower and expenditure concerned on this aspect.

In the past, HD has referred proposals from community organisations for the setting up of bazaars at various locations to the Food and Health Bureau and relevant working groups under the DCs concerned and offered views depending on the circumstances. However, HD does not maintain aggregated statistics of such proposals.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)053

(Question Serial No. 4791)

Head: (62) Housing Department

Subhead (No. & title): (000) Operational Expenses

Programme: (-) Not Specified

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

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding the outsourced service contractors of the Housing Department, please provide the following information:

	2016-17	Increase over the previous year (%)
Number of outsourced service contracts		
Number of outsourced workers employed by the outsourced service providers		
Types of services provided by the outsourced service providers (including but not limited to engineering and construction, property and facilities management, machinery and equipment maintenance, information management and information systems, environmental hygiene and security, etc.)		
Average monthly salary of outsourced workers: \$30,001 or above \$15,001 - \$30,000 \$10,001 - \$15,000 \$8,001 - \$10,000 \$6,760 - \$8,000 Below \$6,760		
Average length of service of outsourced workers		
Percentage of outsourced workers in the total number of staff members in the Department		
Number of outsourced workers: Working 5 days a week Working 6 days a week		
Number of working hours per week of outsourced workers: Maximum working hours per week Average working hours per week		
Number of workers with their severance payment, long service payment or contract gratuity offset by the accrued benefits attributable to employer's contributions to the Mandatory Provident Fund and the amount involved		

Asked by: Hon KWOK Ka-ki (Member Question No. 321)

Reply:

Information regarding outsourced service contractors directly employed by the Housing Department (HD) under Head 62 is as below:-

	2016-17
Number of outsourced service contracts	5
Number of outsourced workers employed by the outsourced service providers	<ul style="list-style-type: none"> ◆ Car hiring: 1 person ◆ Cleansing: twice per day ◆ Transcription service and maintenance and support of the Sales of First-hand Residential Properties Authority website and the Sales of First-hand Residential Properties Electronic Platform: the contractor to arrange according to operational requirements
Types of services provided by the outsourced service providers (including but not limited to engineering and construction, property and facilities management, machinery and equipment maintenance, information management and information systems, environmental hygiene and security, etc.)	<ul style="list-style-type: none"> ◆ Car hiring ◆ Cleansing ◆ Transcription service ◆ Website maintenance and support
Average monthly salary of outsourced workers: \$30,001 or above \$15,001 - \$30,000 \$10,001 - \$15,000 \$8,001 - \$10,000 \$6,760 - \$8,000 Below \$6,760	The salary of individual outsourced worker is determined by the contractor. HD does not have the relevant statistics.
Average length of service of outsourced workers	Length of service of individual outsourced worker is determined by the contractor. HD does not have the relevant statistics.
Percentage of outsourced workers in the total number of staff members in the Department	Number of outsourced workers is adjusted according to operational requirements. There is no fixed ratio.

	2016-17
Number of outsourced workers: Working 5 days a week Working 6 days a week	<ul style="list-style-type: none"> ◆ Caring hiring: 5 days per week; 1 person each time ◆ Cleansing: twice per day for 5 days per week; 2 to 3 persons each time ◆ Transcription service and website maintenance and support: contractor to arrange according to operational requirements
Number of working hours per week of outsourced workers: Maximum working hours per week Average working hours per week	<ul style="list-style-type: none"> ◆ Car hiring: 45 hours per week ◆ Cleansing: twice per day ◆ Transcription service and website maintenance and support: the contractor to arrange according to operational requirements
Number of workers with their severance payment, long service payment or contract gratuity offset by the accrued benefits attributable to employer's contributions to the Mandatory Provident Fund and the amount involved	The severance payment, long service payment or contract gratuity offset by the accrued benefits attributable to employer's contributions to the Mandatory Provident Fund of individual outsourced worker is determined and arranged by the contractor. HD does not have the relevant statistics.

The above information is the same for 2015-16.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)054

(Question Serial No. 3479)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Private Housing

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

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding the liaison with the Estate Agents Authority to enhance the professionalism and service standard of estate agents as stated under this Programme, please advise on the details of the work done in 2016, and the specific plan and timetable of work as well as the estimated manpower and resource requirements in 2017.

Asked by: Hon LEE Kok-long, Joseph (Member Question No. 78)

Reply:

The Estate Agents Authority (EAA) is committed to enhancing the professionalism and service standard of estate agents. The EAA carried out the following work in 2016 and will continue with such work in 2017: review the contents of the qualifying examinations; update the existing practice circulars or issue new ones in the light of the latest situation and laws; educate the trade on the compliance with new standards and regulations; monitor their compliance through inspections of estate agencies; monitor licencees' conduct in relation to the sale of first-hand residential properties; and enhance the voluntary Continuing Professional Development Scheme. Moreover, the EAA will continue to take disciplinary actions against licencees who are found to have breached the Estate Agents Ordinance (Cap. 511), or the Code of Ethics or practice circulars issued by the EAA. The EAA will review the effectiveness of these measures from time to time and introduce new measures as necessary.

Enhancing the professionalism and service standard of estate agents is an on-going work of the EAA. As an independent and self-financing body, the EAA will deploy its manpower and resources to meet its operational requirements.

The Transport and Housing Bureau will continue to liaise with the EAA to enhance the professionalism and service standard of estate agents. This on-going function forms part of the duties of a team under Deputy Secretary for Transport and Housing (Housing). We do not have a breakdown on the expenditure for this particular duty.

- End -

CONTROLLING OFFICER'S REPLY**THB(H)055****(Question Serial No. 3490)**

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (4) Rehousing of Occupants upon Clearance

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

Director of Bureau: Secretary for Transport and Housing

Question:

It is stated that the Housing Department will “undertake rehousing for affected occupants referred by Lands Department and Buildings Department”. In this connection, will the Government advise on:

- a) the numbers of referral cases/affected occupants in the past 3 years; and
- b) the manpower and resources involved in the past 3 years?

Asked by: Hon LEE Kok-long, Joseph (Member Question No. 47)

Reply:

- a) The number of persons affected by Lands Department's squatter clearance or Buildings Department's enforcement action against illegal rooftop structures and with rehousing assistance provided by the Housing Department (HD) in the past 3 years are listed below -

Finance Year	2014-15	2015-16	2016-17
Number of Assisted Rehousing	287 persons	466 persons	322 persons

- b) In the past 3 years, a staff establishment of 29 non-directorate posts in HD undertook duties relating to Programme (4) Rehousing of Occupants upon Clearance of Head 62. Relevant resources (including related staff cost and other operating expenditure) are listed below -

Financial Year	2014-15	2015-16	2016-17
Relevant Resources	\$21.2 million	\$23.9 million	\$24.7 million ¹

– End –

¹ The figure for 2016-17 as quoted above is revised estimates while the figures for previous financial years are actual expenditure.

CONTROLLING OFFICER'S REPLY

THB(H)056

(Question Serial No. 3507)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

It is stated that the Government will provide temporary shelter to victims affected by natural disasters, emergency incidents and other government actions, and co-ordinate the use of the transit centres. In this connection, please advise on the following:

- a) the manpower and expenditure involved, as well as the detailed plans; and
- b) the occupancy rates of the transit centres in the past 3 years.

Asked by: Hon LEE Kok-long, Joseph (Member Question No. 93)

Reply:

The 2 Transit Centres (TCs) under the purview of the Hong Kong Housing Authority (HA) are Po Tin TC in Tuen Mun and Lung Tin TC in Tai O. As a financially autonomous public body, HA funds the operational expenditure of 2 TCs with its own resources.

There are 340 bed spaces at Po Tin TC. The numbers of occupants in Po Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are 187, 213 and 139 respectively. Daily management, cleansing and security services of Po Tin TC are provided by Housing Department (HD)'s Property Services Contractor. Operating expenses of Po Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are approximately \$1.3 million, \$1.4 million and \$0.9 million respectively.

There are 76 bed spaces at Lung Tin TC. The numbers of occupants in Lung Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are 59, 44 and 12 respectively. Daily management, cleansing and security services of Lung Tin TC are also provided by HD's Property Services Contractor. Operating expenses of Lung Tin TC in the past 3 years (i.e. 2014-15, 2015-16 and 2016-17 (up to 31 December 2016)) are \$60,000, \$40,000 and \$40,000 respectively.

We expect that the bedspaces currently available at the above 2 TCs should be adequate to meet the temporary accommodation needs. As such, HA currently does not have any plan to build new TC.

Since the occupancy position of TCs fluctuates depending on the occurrence of incidents, the occupancy rate at different periods of time varies greatly. As such, HD has not kept the relevant statistics.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)057

(Question Serial No. 3358)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

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

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding outsourcing of services by the Department, please inform this Committee of the following in respect of the past 3 years:

1. the total number of outsourced workers employed and the percentage of these workers in the total number of staff members with the same types of duties in the Department;
2. the total staff cost of the Department; the total amount paid to outsourced service providers; and the percentage of amount paid to outsourced service providers in the total departmental staff cost; and
3. the nature of the services outsourced by the Department and the duration of the service contracts.

Besides, according to the Government's guidelines for tendering of outsourced services revised last year, if the procured service relies heavily on the deployment of non-skilled workers, and a marking scheme for tender assessment is adopted, the procuring department, when assessing the tenders, should include in the assessment criteria the evaluation of tenderers' proposed wage rates and working hours for non-skilled workers. In this regard, please inform this Committee of the following:

1. the number of existing outsourced service contracts that rely heavily on the deployment of non-skilled workers awarded by the Department since the guidelines came into effect;
2. the departments which have adjusted their assessment criteria on wage rates and working hours for the outsourced service contracts that rely heavily on the deployment of non-skilled workers in the light of the revised guidelines since the guidelines came into effect; the adjustments made by the Department; and if relevant information is not available, the reasons for it;

3. in respect of the outsourced service contracts that rely heavily on the deployment of non-skilled workers, whether there have been any rises in the average wage rates for workers since the revised guidelines came into effect; if yes, the number of contracts with a rise in wage rates; if relevant information is not available, the reasons for it;
4. the measures adopted by the Department for evaluating the effectiveness of the revised tendering guidelines;
5. whether the Department is required to adopt the prevailing two-envelope system with technical and price weighting when evaluating tenders for outsourced service contracts; if no, the number of contracts awarded without being assessed under the two-envelope system in the past 3 years;
6. the annual number of cases in which government service contractors have been found breaching the service contracts, the Employment Ordinance or the Occupational Safety and Health Ordinance during inspections by the Department, and the number of complaints by outsourced workers received each year;
7. the details of the follow-up actions on these non-compliant cases and complaints; and
8. the number and details of cases in which service contractors were penalised for non-compliance or substantiated complaints against them.

Asked by: Hon LEUNG Yiu-chung (Member Question No. 103)

Reply:

Information regarding outsourced service contractors directly employed by the Housing Department under Head 62 is as below:-

	2014-15 to 2016-17
Number of outsourced workers employed by the outsourced service providers	<ul style="list-style-type: none"> ◆ Car hiring: 1 person ◆ Cleansing: twice per day ◆ Transcription service and maintenance and support of the Sales of First-hand Residential Properties Authority (SRPA) website and the Sales of First-hand Residential Properties Electronic Platform (SRPE): the contractor to arrange according to operational requirements
Percentage of these outsourced workers in the total number of staff members with the same types of duties in the Department	<ul style="list-style-type: none"> ◆ The Department does not employ staff with the same types of duties.
Total staff costs of the Department in the past 3 years	<ul style="list-style-type: none"> ◆ 2014-15 – \$ 207 million ◆ 2015-16 – \$ 226 million ◆ 2016-17 (revised estimate) – \$ 233 million

	2014-15 to 2016-17
Total amount paid to outsourced service providers in the past 3 years	<ul style="list-style-type: none"> ◆ 2014-15 – \$ 0.593 million ◆ 2015-16 – \$ 0.848 million ◆ 2016-17 (revised estimate) – \$ 0.99 million
Nature of services provided by the outsourced service providers	<ul style="list-style-type: none"> ◆ Car hiring ◆ Cleansing ◆ Transcription service ◆ Website maintenance and support
Durations of the service contracts	<ul style="list-style-type: none"> ◆ Car hiring : 24 months ◆ Cleansing : 24 months ◆ Transcription service : 24 months ◆ Maintenance and support of the SRPA website : 60 months ◆ Maintenance and support of SRPE website : 32 months

The above contracts do not rely heavily on the deployment of non-skilled workers and so the Government's guidelines for tendering of outsourced services are not applicable.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)058

(Question Serial No. 3381)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

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

Director of Bureau: Secretary for Transport and Housing

Question:

Does the Department provide sign language interpretation service? If yes, what are the number of staff members involved and the staff cost incurred? If not, what are the reasons?

Asked by: Hon LEUNG Yiu-chung (Member Question No. 161)

Reply:

The Appeal Panel (Housing) under Programme (3) of Head 62 will provide sign language interpretation service for appellants if necessary. Since 2012, there have been 2 appeal cases requiring sign language interpretation service, which was provided by outsourced service providers at a total cost of \$1,608.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)059

(Question Serial No. 3452)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (3) Appeal Panel (Housing)

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

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding the work of the Appeal Panel, will the Department advise this Committee on the following:

1. among the appeal cases processed in 2016, the number of those with their lease terminated;
2. the average processing time required from the lodge of an appeal to a determination on the appeal is made; and
3. whether it has expected a possible increase in the number of appeal cases after the tightening up of the Well-off Tenants Policies; if yes, the countermeasures; if not, the reasons?

Asked by: Hon SHEK Lai-him, Abraham (Member Question No. 29)

Reply:

1. Of the 526 appeals heard in 2016, the number of notices-to-quit confirmed by the Appeal Tribunals is 317.
2. The time for processing an appeal from lodging to determination is affected by many factors (including the complexity of the appeal, whether the appeal has been adjourned and the time taken to verify the identity of the appellant, etc). Hence, it varies case by case. For the appeals heard in 2016, the average time from lodging to determination is 120 days.
3. To ensure more efficient use of precious public rental housing (PRH) resources, the Subsidised Housing Committee of the Hong Kong Housing Authority has reviewed the "Well-off Tenants Policies", and endorsed the relevant amendments and implementation details. In particular, PRH tenants with household income exceeding 5 times of PRH income limits (PRHILs), or with assets exceeding 100 times of

PRHILs, or with private domestic property ownership in Hong Kong should vacate their PRH flats. Relevant amendments will be implemented starting from the reporting cycle in October 2017.

The income and asset limits under the revised “Well-off Tenants Policies” are different from the existing limits, and not all households are required to declare their private domestic property ownership in Hong Kong under existing policies. Hence, we are unable to estimate the number of tenants who need to vacate their PRH flats due to the revised “Well-off Tenants Policies”, as well as the number of relevant appeal cases. We will closely monitor the situation, and increase the number of hearings arranged as necessary to ensure effective handling of appeals.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)060

(Question Serial No. 6519)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (5) Support Services

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

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding the follow-up measures undertaken by the Housing Department in relation to the lead in drinking water incidents, such as installation of fresh water pipes on each floor of the affected buildings, please advise on the works projects involved, with information on their expenditures, anticipated completion dates and manpower requirements.

Asked by: Hon TAM Man-ho, Jeremy (Member Question No. 308)

Reply:

As a financially autonomous public body, the Hong Kong Housing Authority (HA) has funded the various remedial measures arising from the “excess-lead-in-water” incident in public rental housing (PRH) estates with its own resources.

Since the “excess-lead-in-water” incident, the Government and HA have taken a series of measures to minimise the inconvenience caused to tenants of the 11 affected PRH developments in gaining access to safe drinking water. These measures included the provision of water wagons/ tanks and standpipes as well as the supply of bottled water, some of which involve the expenditure of HA. To date, this expenditure, in addition to those arising from conducting water sampling tests for PRH estates, temporary staff resources and administrative costs, and engaging external lawyers for the purpose of Commission of Inquiry into Excess Lead Found in Drinking Water hearings, etc., has amounted to a total expenditure of around \$110 million by HA.

In addition, HA has also requested the contractors concerned to install temporary water points by connecting pipes from the roof-top tank to each floor; to install water filters and regularly replace filter cartridges for the affected households free of charge; and to replace the non-compliant pipes. All relevant expenses from these follow-up actions are borne by the contractors.

The manpower and expenditure incurred by the Housing Department as a result of the above follow-up actions are absorbed by HA internally.

Rectification works in the common areas of the 11 affected PRH developments started in March 2016. To date, works in the common areas of 6 of the affected PRH developments have been substantially completed. It is estimated that all the works in the common areas of the remaining affected PRH developments will be completed by Q2, 2017. Regarding the works inside flats, the contractor conducted a trial for works inside flats at Kwai Yuet House of Lower Ngau Tau Kok Estate Phase 1 starting from October 2016. Since then, works for about half of the flats have been completed. Considering that the works in the common areas of the 11 PRH developments will be completed soon, and having consolidated experiences from the trial works at Kwai Yuet House of Lower Ngau Tau Kok Estate Phase 1, HA announced on 9 March 2017 that the works inside flats for the remaining affected PRH developments would be rolled out in Q2, 2017. The actual time required for the works in each flat will vary, depending on factors such as the furnishings, pipe routings and the weather condition on the day of works, etc. HA will continue to monitor the progress of the rectification works to ensure that the works can be completed as soon as possible.

The water filters and the temporary water supply measures will continue to be in force until the rectification works for both the common areas and inside flats are completed. When the works inside flats are completed, water sampling tests (covering various parameters including lead) will be conducted in accordance with the Water Supplies Department's requirements. Subject to satisfactory water test results and the progress of works, water filters will be removed and temporary water supply will be withdrawn in stages.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)061

(Question Serial No. 6520)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Building Control

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

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding the indicator for mandatory building inspection under Programme (1), the estimated "number of notices discharged" in 2016 was 3 300, whereas the actual number was 775, which was far less than the estimated figure. What are the measurement criteria and method for the above indicator and reasons for the discrepancy?

Asked by: Hon TAM Man-ho, Jeremy (Member Question No. 309)

Reply:

The Independent Checking Unit (ICU) works directly under the Office of the Permanent Secretary for Transport and Housing (Housing). In accordance with the delegated authority by the Director of Buildings and the prevailing policy and guidelines of the Buildings Department (BD), the ICU exercises building control under the Buildings Ordinance over properties developed by the Hong Kong Housing Authority that have been sold or divested.

In accordance with the practice of BD in implementing the Mandatory Building Inspection Scheme, the ICU first selects target buildings MBIS and issues pre-notification letters to owners or Incorporated Owners (IOs) of the target buildings to give them ample time to get prepared and arrange for the prescribed inspection and repair, before issuing MBIS statutory notices.

Under MBIS, apart from serving statutory notices to IOs with respect to the common parts of a whole building, it is also required to serve statutory notices to individual owners of flats if there are any projections, e.g. balcony, flower bed, drying rack, etc. at the external walls of the flats. A MBIS statutory notice is considered discharged by IOs or building owners when prescribed inspection and prescribed repair (if necessary) are completed with submissions of related specified forms and reports to the ICU.

According to the information collected by the ICU, the main reasons for having less "discharged notices" than estimated are:

For common areas under the responsibility of IOs

- (i) IOs need sufficient time to apply for subsidies / loans from the Hong Kong Housing Society or the Urban Renewal Authority, and to employ registered inspectors and contractors for carrying out inspections and repairs respectively;
- (ii) Taking the opportunity of proceeding MBIS works, IOs usually would carry out some other improvement works simultaneously. Hence, IOs need considerable time to prepare a proposal, consult and liaise with individual owners in order to reach a consensus on matters including the scope of works as well as tendering procedures. If there are different opinions among owners, more time will be needed to settle.

For areas under the responsibility of individual owners

- (i) Individual owners are required to carry out inspections and repairs (if necessary) for projections from their own flats e.g. balcony, flower bed and drying rack, etc. As they may encounter certain difficulties if they are to employ registered inspectors and/or contractors individually, therefore, individual owners often rely on IOs' co-ordinations and, with the assistance by property management companies, to comply with the notices. In the event that IOs fail to employ registered inspectors and contractors due to the aforesaid reasons, individual owners will be unable to discharge their notices timely.

As most expired MBIS statutory notices were those for projections and the first lot of such expired in 2016, the ICU was not able to grasp the actual progress situation when preparing the estimated indicators for 2016-17 in second half of 2015. We could only prepare our estimate with reference to the compliance statistics of Mandatory Window Inspection Scheme statutory notices. After taking consideration of the complexity of MBIS, we anticipated that 70% of the issued MBIS statutory notices would be discharged upon expiry. With the relevant experience and actual figures attained thereafter, the ICU expects to prepare a more realistic estimated indicator in the coming year.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)062

(Question Serial No. 6521)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

With regard to squatter clearances or emergency clearances under this Programme, the number of rehousing applications processed in 2016 was 150 and the estimated number of rehousing applications to be processed in 2017 is 270. In this connection, please inform this Committee of the distribution of the squatters affected in each of these 2 years by district, the average processing time for these applications and the expenditure involved.

Asked by: Hon TAM Man-ho, Jeremy (Member Question No. 311)

Reply:

The Lands Department (LandsD) is responsible for implementing the squatter clearance and emergency clearance programmes. Details of occupants affected by the clearance programmes for 2017 will only be made public when LandsD conducts the pre-clearance registration, in order to ensure that the occupants to be rehoused are those who are genuinely affected. Hence, LandsD is unable to provide the relevant information. In 2016, rehousing applications from squatter clearances or emergency clearances processed by the Housing Department (HD) mainly came from the New Territories.

In general, HD will verify the rehousing eligibility of applications from occupants affected by clearance programmes as referred to us by LandsD in 8 weeks' time. The actual time required for verifying each case depends on the complexity of the case and the number of cases to be processed concurrently. A staff establishment of 29 non-directorate posts in HD undertakes the duties under Programme (4) Rehousing of Occupants upon Clearance of Head 62. The staff cost and operating expenditure on rehousing clearances in 2015-16 and 2016-17 are \$23.9 million and \$24.7 million¹ respectively. Since the complexity and processing time of each rehousing case varies, HD has not kept statistics on the average processing time and average expenditure of each rehousing case.

- End -

¹ The figure for 2016-17 is revised estimates.

CONTROLLING OFFICER'S REPLY

THB(H)063

(Question Serial No. 6523)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (1) Building Control
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

The Housing Department (HD) has earlier conducted a study on the Policy on Safeguarding Rational Allocation of Public Housing Resources and revised the Policy. In this regard, please advise on the expenditure of the study and the staff establishment involved. In addition, please advise on the expenditure of HD on executing the Policy (with a detailed breakdown of expenditure) and the staff establishment involved in the past 3 financial years, as well as the number of households affected each year, the number of public rental housing (PRH) units recovered under the Policy and the recovery procedures.

Asked by: Hon TAM Man-ho, Jeremy (Member Question No. 313)

Reply:

As a financially autonomous body, the Hong Kong Housing Authority (HA) funds its public housing programmes with its own resources.

The Housing Subsidy Policy and the Policy on Safeguarding Rational Allocation of Public Housing Resources implemented by HA are commonly referred to as the "Well-off Tenants Policies". Under the existing "Well-off Tenants Policies", after living in public rental housing (PRH) for 10 years, households are required to declare their income biennially. Those with household income equivalent to 2 to 3 times of the PRH income limits (PRHILs) are required to pay 1.5 times net rent plus rates. Those with household income exceeding 3 times of the PRHILs are required to pay double net rent plus rates. Households paying double net rent plus rates have to declare their assets at the next declaration cycle and thereafter on a biennial basis. Households exceeding the prescribed income and asset limits (income exceeding 3 times of the PRHILs and asset exceeding 84 times of the PRHILs) are required to vacate their PRH units. HA will serve Notice-to-Quit to relevant households pursuant to the Housing Ordinance to recover PRH units from them. Each year, over 200 000 households are required to make declaration under the "Well-off Tenants Policies".

Details on the number of households paying additional rent and PRH units recovered from additional rent paying households from 2013-14 to 2015-16 are appended below (**Table 1** and **Table 2**) :

Table 1

Year	No. of PRH Households Required to Pay Additional Rent			
	1.5 Times Net Rent Plus Rates*	Double Net Rent Plus Rates*	Market Rent	Total*
2013-14	18 200	2 400	23	20 600
2014-15	18 700	2 300	20	21 000
2015-16	19 500	2 400	24	21 900

* Figures rounded to the nearest hundred

Table 2

Year	No. of PRH Units Recovered from Additional Rent Paying Households*
2013-14	170
2014-15	180
2015-16	240

* Figures rounded to the nearest ten

The Public Housing Resources Management Unit (PHRM) and estates offices of the Housing Department (HD) conduct checking on PRH households' declaration of income and assets to assess their rent payable and their continued eligibility for PRH. Since checking of income and assets constitutes only part of the work of PHRM and estate offices, HD does not have a breakdown on the relevant expenditure and staff establishment.

In light of the increasing demand for PRH, HA considers that while making the best efforts to increase PRH supply, it is necessary to examine ways to better utilise PRH resources at the same time to ensure that efforts would be focused on allocating PRH resources to those with more pressing housing needs. Subsequent to the detailed deliberation in 2014 on whether to amend the "Well-off Tenants Policies" and the feasible proposals if the policies are to be amended, HA has examined how to better utilise PRH resources, including the "Well-off Tenants Policies", from late 2016 to early 2017, and has endorsed amendments to the "Well-off Tenants Policies" and the relevant implementation details. Work relating to the relevant review is absorbed by existing manpower resources and does not involve additional expenditure.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)064

(Question Serial No. 6670)

Head: (62) Housing Department
Subhead (No. & title): (-) Not Specified
Programme: (4) Rehousing of Occupants upon Clearance
Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)
Director of Bureau: Secretary for Transport and Housing

Question:

In respect of interim housing (IH), will the Government advise on the following:

1. the numbers of households and occupants currently living in IH estates;
2. the approximate length of stay of IH occupants in the past 3 years; and
3. among the occupants who moved out of IH units in the past 3 years, the respective numbers of households moving to public rental housing estates, subsidised housing courts/estates and private buildings?

Asked by: Hon YIU Chung-yim (Member Question No. 334)

Reply:

1. There are two Interim Housing (IH) under the purview of the Hong Kong Housing Authority, viz Shek Lei IH in Kwai Chung and Po Tin IH in Tuen Mun. As at 31 December 2016, there were 3 483 occupied units and about 4 800 occupants in IH.
2. The Housing Department has not kept the statistics on the length of stay of IH occupants.
3. Over the past 3 years, 2 083 households moved out of IH, out of which 1 483 households were allocated with public rental housing (PRH) units. For those who moved out of IH but did not move into PRH units, the reasons include death of households, moving into elderly homes, acquiring alternative accommodation on their own, failing to pass the income and asset test for PRH application, etc.

- End -

CONTROLLING OFFICER'S REPLY**THB(H)065****(Question Serial No. 6251)**Head: (162) Rating and Valuation DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (4) Landlord and Tenant ServicesControlling Officer: Commissioner of Rating and Valuation (TANG Ping Kwong)Director of Bureau: Secretary for Transport and HousingQuestion:

Regarding the work of the Rating and Valuation Department, please inform the Committee of:

1. the respective numbers of advisory and mediatory services on tenancy matters provided to the public in the past 5 years;
2. the respective numbers of Notice of New Letting or Renewal Agreement (Form CR109) received and endorsed annually in the past 5 years. How many of them were "entered into a newly created tenancy/sub-tenancy" or "entered into a renewal of tenancy/sub-tenancy" respectively?

Asked by: Hon CHEUNG Chiu-hung, Fernando (Member Question No. 1403)Reply:

1. The respective numbers of advisory and mediatory services on tenancy matters provided by the Rating and Valuation Department (RVD) in the past 5 years (i.e. 2012-13 to 2016-17) are as below -

<u>Year</u>	<u>Advisory services</u>	<u>Mediatory services</u>
2012-13	About 176 000	198
2013-14	About 163 000	140
2014-15	About 156 000	171
2015-16	About 141 000	89
2016-17 (up to end February 2017)	About 109 000	32

2. The number of Notices of New Letting or Renewal Agreement (i.e. Form CR109, referred to as “Notices” below) processed by the RVD in the past 5 years, together with the percentages of new lettings and renewal agreements as reported in these Notices, are listed below –

<u>Year</u>	<u>Number of Notices processed</u>	<u>New tenancy/ sub-tenancy</u>	<u>Renewal of tenancy/ sub-tenancy</u>	<u>Others*</u>
2012-13	About 51 000	69%	27%	4%
2013-14	About 51 500	67%	29%	4%
2014-15	About 51 500	67%	29%	4%
2015-16	About 50 500	65%	31%	4%
2016-17 (up to end February 2017)	About 50 000	68%	29%	3%

* Applicants did not report the category of tenancies concerned.

The RVD endorsed about 95% of the Notices each year. The remaining ones were withdrawn by the applicants and thus endorsement is not required.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)066

(Question Serial No. 7200)

Head: (162) Rating and Valuation Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Collection and Billing of Rates and Government Rent

Controlling Officer: Commissioner of Rating and Valuation (TANG Ping Kwong)

Director of Bureau: Secretary for Transport and Housing

Question:

The Rating and Valuation Department (RVD) publishes the vacancy figures of private domestic units on a regular basis. How does RVD conduct surveys on the vacancy status of private domestic properties? How often are site inspections conducted? With regard to all units in the same building, are full surveys or sampling surveys adopted? What are the inspectors' criteria for determining the vacancy status of the units?

Asked by: Hon Hon LAW Kwun-chung, Nathan (Member Question No. 2)

Reply:

The Rating and Valuation Department conducts a vacancy survey at the end of each year, which includes a full survey on residential units completed within 3 calendar years at the time of the survey, and a random sample survey covering 3% of the remaining residential units.

The vacancy data are based on information gathered from building management offices, owners and occupants, as well as information obtained through inspections by property inspectors. Properties that are not physically occupied or under decoration at the time of survey would be treated as vacant.

- End -

CONTROLLING OFFICER'S REPLY**THB(H)067****(Question Serial No. 6510)**Head: (162) Rating and Valuation DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (4) Landlord and Tenant ServicesControlling Officer: Commissioner of Rating and Valuation (TANG Ping Kwong)Director of Bureau: Secretary for Transport and HousingQuestion:

Please inform the Committee of:

the number of cases of tenancy enquiries and mediatory services sought from the Rating and Valuation Department in each of the 18 districts in 2013-14, 2014-15 and 2015-16, and how many of the mediation cases result in a successful outcome.

Asked by: Hon TAM Man-ho, Jeremy (Member Question No. 206)Reply:

The respective numbers of advisory and mediatory services on tenancy matters provided by the Rating and Valuation Department (RVD) in 2013-14, 2014-15 and 2015-16 are as below:

<u>Year</u>	<u>Advisory services</u>	<u>Mediatory services</u>
2013-14	About 163 000	140
2014-15	About 156 000	171
2015-16	About 141 000	89

As most enquirers do not disclose the property addresses while seeking advice from RVD, RVD does not record case statistics by district. RVD has not asked the service users on whether they consider the mediation successful.

- End -

CONTROLLING OFFICER'S REPLY

THB(H)068

(Question Serial No. 5823)

Head: (162) Rating and Valuation Department

Subhead (No. & title): (-) Not Specified

Programme: (4) Landlord and Tenant Services

Controlling Officer: Commissioner of Rating and Valuation (TANG Ping Kwong)

Director of Bureau: Secretary for Transport and Housing

Question:

1. What is the number of cases in the past 3 years in which the owner was entitled to exercise the rights under the Landlord and Tenant (Consolidation) Ordinance to apply for the recovery of a tenement on the ground that the tenant concerned was in arrears for no less than 2 months and deserted the said tenement?
2. How many of the cases above resulted in the successful recovery of the tenement by the owner?

Asked by: Hon YIU Chung-yim (Member Question No. 47)

Reply:

The Rating and Valuation Department does not have information about landlords applying to the relevant courts for possession of premises.

- End -