

1 Corporate PROFILE

The New Institutional Framework

- 1.1** Following a thorough and comprehensive review of the role and responsibilities of the former Housing Bureau, the Hong Kong Housing Authority (HA), the Housing Department (HD) and the Hong Kong Housing Society, Government published the Report on the Review of Institutional Framework for Public Housing (RIFPH) in June 2002. The Report recommended that a streamlined housing organization with a single spokesman for housing matters and a single line of responsibility running from policy formulation through to implementation should be established.
- 1.2** The proposed changes were also to reflect the introduction of the Principal Officials Accountability System under which the Secretary for Housing, Planning and Lands has become the Principal Official responsible for overall housing matters. He is underpinned by the Permanent Secretary for Housing, Planning and Lands (Housing) (PSH), who also heads the HD.

Housing Authority

- 1.3** Within Government's overall housing policy framework, the HA determines and implements public housing programmes. Apart from planning and building public housing for rent, it also manages public rental housing (PRH) estates, interim housing (IH) estates, transit centres and ancillary commercial and non-domestic facilities such as flatted factories. In addition, it acts as Government's agent for clearing land, preventing squatting and implementing improvements in squatter areas. The HA also assists low-income families to become home owners.



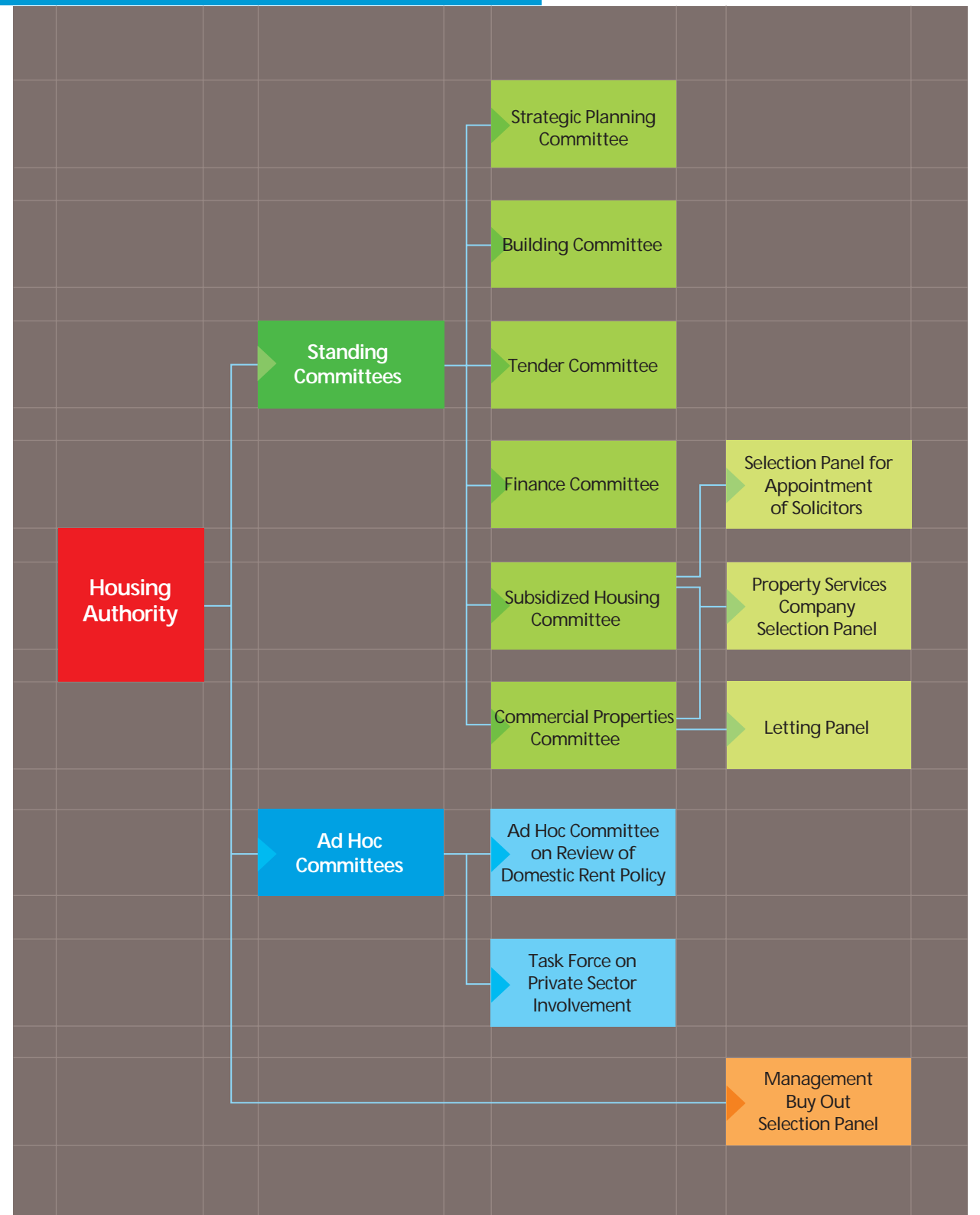
1.4 The HA has been playing an important role in public housing development. As of September 2002⁽¹⁾, the HA –

- provided 651 900 PRH/IH flats for 2 012 800 persons, representing 30% of Hong Kong's total population;
- sold 399 100 flats through various subsidized home ownership schemes, including –
 - 306 500 flats under Home Ownership Scheme (HOS)/ Private Sector Participation Scheme (PSPS);
 - 7 600 flats under Mortgage Subsidy Scheme (MSS)/ Buy-or-Rent Option (BRO); and
 - 85 000 flats under Tenants Purchase Scheme (TPS);
- granted 52 100 loans/subsidies under Home Purchase Loan Scheme (HPLS) to applicants for purchase of flats in the private sector or the HOS secondary market;
- provided 2.34 million m² internal floor area (IFA) commercial and non-domestic premises and 100 000 carparking spaces.

1.5 Following an amendment to the Housing Ordinance (Cap. 283) in March 2003, the Secretary for Housing, Planning and Lands has been appointed Chairman of the HA. The HA comprises a Chairman, three official and 22 non-official members who are appointed by the Chief Executive. Members are appointed for a term of two years, subject to re-appointment. The HA determines and oversees the implementation of public housing programmes. To facilitate its operations, six standing committees have been formed to formulate, administer and oversee policies in specified areas. In addition, a number of sub-committees and panels have been formed to assist the HA and the standing committees to better discharge their functions.

Note ⁽¹⁾: Unless otherwise stated, all figures quoted in this and subsequent paragraphs refer to position as at 30 September 2002.

Organization of the Housing Authority





Housing Department

1.6 Under the proposed institutional framework recommended by the RIFPH Report, the HA will in the longer term reduce its executive functions and evolve towards an advisory role on both public and private housing matters. However, Government has lately reviewed the status of the HA and considered that the HA should retain all its executive responsibilities for now to allow more time to examine issues related to the mode of financing its activities, the legislative amendments as well as other administrative arrangements required to turn the HA into an advisory body. The evolution of the HA towards an advisory body will be kept as an option over a longer time frame.

1.7 As recommended by the RIFPH Report, the former Housing Bureau and the former HD merged on 1 July 2002 to form the new HD. It brings together the policy and operational responsibilities in the provision of public rental housing, the procurement of services from the private sector, the assessment of eligibility of various forms of public housing assistance and the provision of loans and allowance. It continues to provide secretariat and executive support to the HA and its committees to enable them to discharge their duties effectively. As of 1 February 2003, the HD had a strength of some 11 000 staff⁽²⁾, of which about 9 300 were civil servants and 1 700 contract staff.

1.8 The new HD is headed by PSH who also assumes the office of the Director of Housing. He is supported by six Deputy Directors who are responsible for policies formulation and overseeing their implementation.

Note⁽²⁾: This included staff responsible for squatter control and land clearance duties as Government's agent, and former Housing Bureau officers redeployed to the new HD upon merger.

Organization of the Housing Department

