

**Memorandum for the Subsidised Housing Committee of
the Hong Kong Housing Authority**

Notes of Members' Meeting with Concern Groups

Attached for Members' information are the notes of Members' meeting with Concern Groups held in Oi Man Estate Hall, Oi Man Estate on Tuesday, 27 August 2019.

Concern Group	Discussion Item
Hong Kong Association For Democracy And People's Livelihood	(A) Enhanced measures in handling of public rental housing (PRH) flats with poor environmental sanitation (B) Provision of rent reduction for tenants resided in non-lift landing floor and stair climber (C) Compensation arrangement to family affected by backflow of soil water (D) Tenants Purchase Scheme (TPS) estates
Federation of Public Housing Estates	(A) Formulate the redevelopment plan for Lei Muk Shu (II) Estate in a timely manner (B) Relocation of the Tsuen Wan No. 2 Fresh Water Service Reservoir and to use the vacated site as rehousing resources (C) To implement the Green Form Subsidised Home Ownership Scheme (GSH) at the reception estate and offer priority in flat selection for households affected by the redevelopment programme(s)

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(Corporate Services Division)
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THE HONG KONG HOUSING AUTHORITY

Notes of Members' Meeting with Concern Groups

Date : 27 August 2019 (Tuesday)
Time : 2:36 p.m.
Venue : Oi Man Estate Hall, Oi Man Estate, Ho Man Tin, Kowloon
Concern Group : Hong Kong Association For Democracy And People's
Livelihood

PRESENT

Members of the Housing Authority and its Committees

Mr Stanley WONG Yuen-fai, SBS, JP (Chairman)

Hon KWOK Wai-keung, JP

Mr Anthony CHIU Kwok-wai

Representatives of the Housing Department

Mrs Harriet LAU CHU Wai-ha Chief Manager/Management
(Support Services) 2

Mr Lennon WONG Ling-sze Assistant Committees' Secretary/2
(Note-taker)

Representatives of Hong Kong Association For Democracy And People's Livelihood

(See Chinese version for names of the representatives)

The Chairman welcomed representatives of Hong Kong Association For Democracy And People's Livelihood (the Concern Group) to the Members' Meeting with Concern Groups under the auspices of the Hong Kong Housing Authority (HA).

2. **The Chairman** explained that the purpose of the Meeting was to provide a forum for Members of HA and its committees to meet with representatives of the Concern Group, listen to their views on housing issues and relay their concerns to the committees concerned.

3. Views expressed by **representatives of the Concern Group** on issues of concern were consolidated as follows –

(a) It was noted that HA's Subsidised Housing Committee (SHC) had a recent discussion about the situation of unsold flats in Tenants Purchase Scheme (TPS) estates. Maintenance of common facilities had always been a problem in TPS estates as the cost incurred in some of the works was beyond owners' affordability, but HA had been refusing to shoulder the maintenance responsibilities and cost. Given that there was no guarantee on the building quality of these estates and that the blocks were close to the age for mandatory building inspection, owners might need to spend more on the relevant expenditure in the future. The Maintenance Funds set up with HA's injection (\$14,000 per residential unit) in those years were inadequate to meet the needs and the owners also lacked the professional knowledge. Despite the fact that HA was not liable for any follow-ups after selling the flats, still HA should make "special arrangements in exceptional circumstances", which included providing financial assistance to the maintenance works.

(b) Despite Estate Management Advisory Committees' (EMACs) requests to the Housing Department (the Department) and outsourced property services agents (PSAs) for follow-ups, the poor hygiene conditions of some public rental housing (PRH) units could not be tackled promptly under the current Marking Scheme for Estate Management Enforcement in Public Housing Estates (the Marking Scheme) or by referral to the Social Welfare Department (SWD) for follow-up actions, thus causing long-term disturbance to the

neighbouring residents. As a matter of fact, there were many such cases with prolonged delay in point allotment under the Marking Scheme, and, even with the issue of the Notice-to-quit, the problem could not be eradicated as the tenants would only be transferred to interim housing. HA should explore by what means the handling process could be expedited, such as by formulation of standard handling procedures in collaboration with other relevant government departments for this kind of situation. On another front, it was hard to eliminate the problem of domestic waste disposal at estate common areas by some tenants due to the difficulty in gathering evidence. The Department might consider deploying staff to conduct inspections and gather evidence at those floors with appalling hygiene conditions or installing closed-circuit televisions (CCTVs) for monitoring purpose.

- (c) In some old PRH blocks where lift services were not available at the top floor, it was inconvenient for the elderly tenants living there to go out and return home. It was also unfair to these tenants as they had to pay extra fee for the delivery of the furniture purchased but were paying the same level of rent as that of the tenants residing at the floors below. HA should either offer rent concession to these tenants or provide them with a stair climber.
- (d) Given that in recent years residents were not allowed to observe EMAC meetings in some estates, their views often could not be conveyed in an accurate manner. Residents only came to know the content of the meetings and updates of their estates through the biannual EMAC Newsletters. As there was neither confidential nor sensitive information in the content of the meetings, coupled with the fact that the minutes of the meetings would be made available to the public, residents should be allowed to observe the meetings so that they could monitor EMAC's operation.
- (e) Backflow of rainwater occurred at units on the lower floors in some estates due to the blockage of storm water drains. As a result, residents had to wade their way through the water when going out and coming back and "waterfall" could be seen at the lobby on the ground floor. In an effort to resolve the blockage problem, independent

storm water drains had been installed at units on the lower floors in new estates. The representatives enquired whether the same practice could be adopted in existing estates by installing independent storm water drains at the affected units.

- (f) In addition, some units on the lower floors had backflow of soil water due to the blockage of manholes, thus causing losses to the tenants. However, after the loss adjusters had assessed the liabilities, a vast majority of these cases were regarded as accidents for which HA or PSAs did not have to bear the responsibility. It was unfair to the tenants because they, without any liability on their part, had to bear the losses. As a public organisation, HA should compensate the affected tenants on a discretionary basis and conduct a study along the direction of design, so as to minimise the occurrence of similar incidents in newly built estates.

4. **Members'** consolidated responses were as follows –

- (a) SHC had earlier held a brainstorming session during which Members had a preliminary exchange of views on how to handle unsold flats in TPS estates.
- (b) HA's original intension of setting up Maintenance Funds for TPS estates was to meet the needs of Major Maintenance Works in estate common areas and to abide by the Rules on Use under the relevant Deed of Mutual Covenant. The cost of daily general maintenance works would be covered by the funds of individual estates. According to the existing legislation, owners/Owners' Corporations should be responsible for estate maintenance expenses. Nevertheless, HA noted this view and would take this into account when dealing with the relevant issues.
- (c) The mental health problem of tenants might be a contributing factor to the unhygienic condition of their units and therefore it might not be effective to resolve the problem under the Marking Scheme. HA would handle these cases with a "people-oriented" approach. In addition to the Marking Scheme, it was necessary to help the tenants improve the hygiene condition of their units by counselling. In this

connection, it would be more appropriate and effective for SWD to intervene and follow up on these cases.

- (d) With the passage of the Government's proposed legislation on municipal solid waste charging in the future, it might be necessary to install CCTVs in certain estate common areas. SHC would consider the matter in parallel when the relevant issues were to be discussed.
- (e) Flat rentals were affected by many factors. It was technically difficult to determine an appropriate level of rent for about 800 000 PRH units based on factors like their respective orientation, floor level, view and even the condition of the adjacent units. Some blocks were subject to height restrictions of the sites and therefore lift services could not be made available at the top floor. Compared with rent concession, it was believed that installation of stair climbers would be more effective and the Department should conduct a study along this direction.
- (f) Regarding the cases involving the backflow of soil water, the Department could exercise discretion to assist the affected tenants in individual cases.

5. Consolidated responses of **the Department's representatives** were as follows –

- (a) Misdeeds under the Marking Scheme included “accumulating a large quantity of refuse or waste inside leased premises, creating offensive smell and hygienic nuisance”. Tenants committing the above misdeed would be allotted seven points if they failed to rectify the malpractice within 14 days upon receipt of a warning letter. For persistent cases, penalty points would be allotted again. Those who had accrued 16 points within two years would have their PRH tenancies terminated. Besides, it was specified in the tenancy agreement that the tenant should not do anything that would become a nuisance to other occupants. The Department would take corresponding actions as appropriate on a case-by-case basis.

- (b) Disposal of domestic waste at estate common areas had always been a matter of concern of the Department. Additional staff had recently been deployed to conduct inspections at various estates to step up effort in prosecution and publicity. The Department would, as and when necessary, dispatch staff to black spots for monitoring the situation and gathering evidence. Due to personal privacy concerns, the Department had no intention to install CCTV system at each floor.
- (c) EMAC meetings were not open to the public and the venues might not be large enough to accommodate non-members for observing the meetings, who would only be invited to sit in on a meeting as and when the needs arose. Members in attendance should have collected views on the discussion topics before the meetings and the relevant information would be shared with the residents afterwards.
- (d) Public liability insurance (PLI) had been taken out by the Department for properties under its management, and outsourcing managing companies as well as maintenance companies concerned were also required to secure cover in joint names with the Department against compensation liabilities due to negligence of the staff of HA or of outsourcing companies. If, after assessments by the loss adjusters, it was found that the incident was not caused by HA or the outsourcing companies, the Department would hardly be in a position to make any compensation. The Department would continue to make efforts in publicity and education among tenants, advising them on the proper use of drainage installations. The Department would provide free temporary accommodation to the affected tenants where necessary and arrange for their transfer subject to the circumstances of the affected units.
- (e) The Department would follow up on the individual cases raised by the Concern Group with respect to the various topics.

6. **The Chairman** thanked the representatives of the Concern Group for attending this meeting and reiterated that their views would be conveyed to other Members.

7. The meeting was adjourned at 3:50 p.m.

THE HONG KONG HOUSING AUTHORITY

Notes of Members' Meeting with Concern Groups

Date : 27 August 2019 (Tuesday)
Time : 3:55 p.m.
Venue : Oi Man Estate Hall, Oi Man Estate, Ho Man Tin, Kowloon
Concern Group : Federation of Public Housing Estates

PRESENT

Members of the Housing Authority and its Committees

Mr Stanley WONG Yuen-fai, SBS, JP (Chairman)
Hon KWOK Wai-keung, JP
Mr Anthony CHIU Kwok-wai

Representatives of the Housing Department

Ms Portia YIU Kuk-hung	Chief Planning Officer/2
Mr Lennon WONG Ling-sze	Assistant Committees' Secretary/2 (Note-taker)

Representatives of Federation of Public Housing Estates

(See Chinese version for names of the representatives)

The Chairman welcomed representatives of the Federation of Public Housing Estates (the Concern Group) to the Members' Meeting with Concern Groups under the auspices of the Hong Kong Housing Authority (HA).

2. **The Chairman** explained that the purpose of the Meeting was to provide a forum for Members of HA and its committees to meet with representatives of the Concern Group, listen to their views on housing issues and relay their concerns to the committees concerned.

3. Views expressed by **representatives of the Concern Group** on issues of concern were consolidated as follows –

- (a) Lei Muk Shue (II) Estate was of a considerable age with its present condition and design being unsatisfactory. As there were problems like water seepage and concrete spalling, undertaking maintenance and building improvement works might not be able to guarantee its safety and would not yield a positive outcome. Surveys revealed that a vast majority of the tenants hoped that HA would launch redevelopment programmes and that they were willing to move to new reception estates in the vicinity. In this connection, it was believed that the planning for the redevelopment of Lei Muk Shue (II) Estate would be smoother than that of other aged estates.
- (b) Although HA had, in 2013, evaluated the development potential of 22 non-divested aged estates in various districts, it had so far announced the redevelopment programmes of only three estates. Among the four principles to be considered in estate redevelopment under the “Refined Policy on Redevelopment of Aged Public Rental Housing Estates”, one of them was the availability of suitable rehousing resources in the vicinity of the estates to be redeveloped. Since the Water Supplies Department had already included Tsuen Wan No. 2 Fresh Water Service Reservoir (near Lei Muk Shue (II) Estate) in a study on its relocation to caverns, it was anticipated that the site would be released for the construction of a reception estate. On account of the scale of Lei Muk Shue (II) Estate and its high redevelopment potential, it was expected that a large number of PRH units could be provided in the future to help shorten the current waiting time for PRH allocation. Therefore, it was hoped that HA

could confirm the gradual redevelopment of Lei Muk Shue (II) Estate as soon as possible. This would have an exemplary effect on expediting the pace of redevelopment of other PRH estates and even old districts.

- (c) Due to the fairly long average waiting time (AWT) at the moment, any massive redevelopment might actually have an impact on applicants waiting for PRH allocation. Nevertheless, as regards the long-term benefits of redevelopment in improving estate environment and increasing housing production, it was still worthwhile for having the short-term “throes”.
- (d) Chuk Shue House of Lei Muk Shue (II) Estate was currently situated at a corner of the site, which could be redeveloped into a single Green Form Subsidised Home Ownership Scheme (GSH) block. Second priority in flat selection could also be offered to the affected tenants of Lei Muk Shue (II) Estate and the nearby Lei Muk Shue (I) Estate, so as to solicit more residents’ support of the redevelopment programme.

4. **Members’** consolidated responses were as follows –

- (a) HA did not have a redevelopment timetable for Lei Muk Shue (II) Estate and had not laid down the redevelopment priority for the 22 aged PRH estates at this juncture. Taking Wah Fu Estate as an example, it took several years from the announcement of the redevelopment programme to its implementation. Among the four principles to be considered in the redevelopment of aged PRH estates, namely, structural conditions of buildings, cost-effectiveness of repair works, availability of suitable rehousing resources in the vicinity of the estates to be redeveloped and build-back potential upon redevelopment, the principle of “structural conditions of buildings” was of paramount importance. Lei Muk Shue (II) Estate, albeit unsatisfactory in building conditions, had a safe structure.
- (b) The Government, HA and the Task Force on Land Supply were aware of the site development potential of Tsuen Wan No. 2 Fresh Water Service Reservoir after its relocation. From planning perspective, it

would help narrow the shortfall in the current PRH supply against the target under the Long Term Housing Strategy if the site was to be used for public housing construction, which also had the potential of being developed into the reception estate for Lei Muk Shu (II) Estate. However, in the light of the keen demand for PRH units, HA still had to be prudent in considering the redevelopment of large PRH estates because this would, in the short run, reduce PRH stock available for allocation, thus adding further pressure on HA in maintaining the AWT target. When considering residents' aspirations, HA would strike a balance by avoiding any impact on AWT, and, on the other hand, improving the living environment of the tenants.

- (c) The issues of whether some of the PRH blocks would be converted to GSH for sale after redevelopment and whether residents affected by redevelopments would be offered priority in flat selection were relatively long-term policy considerations, the details of which could be discussed in the future.
- (d) Rents in reception estates would always be higher than the original rents paid by the tenants, irrespective of whether the redevelopment programmes were launched by HA or the Hong Kong Housing Society. This was because the rental level of newly built estates was higher than that of the old estates.

5. **The Chairman** thanked the representatives of the Concern Group for attending the meeting, and reiterated that their views would be conveyed to other Members.

6. The meeting was adjourned at 4:47 p.m.