

Head 62 — HOUSING DEPARTMENT

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

Estimate 2006–07 **\$88.8m**

Controlling Officer's Report

Programmes§

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

These programmes contribute to Policy Area 31: Housing (Secretary for Housing, Planning and Lands).

§ Following the transfer of squatter clearance and control duties for the whole territory to the Lands Department effective from 1 April 2006, the programmes are re-organised and rephrased to include major activities funded from General Revenue. The provision for squatter clearance and squatter control is included under Head 91—Lands Department from 2006–07.

Detail

Programme (1): Building Control

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	2006–07 (Estimate)
Financial provision (\$m)	—	—	—	64.2

Aim

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

Brief Description

3 The Independent Checking Unit has been carrying out the building control duties in Home Ownership Scheme/Tenants Purchase Scheme buildings under delegated authority. The delegation has been extended to retail and carparking premises and some public rental housing estates as a result of the divestment of the Housing Authority's retail and carparking premises. The extended portfolio of former Housing Authority's properties to which the Buildings Ordinance applies took effect from November 2005. The portfolio comprises:

- number of Home Ownership Scheme courts/flats : 146 / 219 363
- number of Tenants Purchase Scheme estates/flats : 39 / 189 184
- number of public rental housing estates/flats : 104 / 442 610
- total numbers of courts & estates : 289
- number of retail/carparking premises : 110 / 348
- total numbers of domestic flats (Home Ownership Scheme, Tenants Purchase Scheme and public rental housing) : 851 157

4 The work involves:

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

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- conducting planned surveys for overall improvements to Home Ownership Scheme and Tenants Purchase Scheme buildings; and
- processing licensing/registration referrals by government departments (e.g. restaurants, places of public entertainment and tutorial schools).

5 The key performance measures in respect of this programme are:

Targets

	Target	2004 ^Ω (Actual)	2005 ^Ω (Actual)	2006 (Plan)
processing plans for alteration and addition works within 60 days (%).....	100	—	—	100
processing resubmissions for alteration and addition works within 30 days (%)..	100	—	—	100
processing applications for consent within 28 days (%).....	100	—	—	100
advising on restaurant license applications under the Application Vetting Panel system within 14 days (%).....	100	—	—	80
responding to emergencies within three hours on a 24-hour basis (%).....	100	—	—	80
providing non-emergency services for reports on unauthorised building works within 48 hours (%).....	100	—	—	98

Ω Related statistics are not available.

Indicators

	2004 (Actual)	2005 (Actual)	2006 (Estimate)
alteration and addition plans received and processed within 60 days	31	16	350
resubmitted alteration and addition plans received and processed within 30 days	17	9	150
consents issued	27	16	350
buildings to be targeted for clearance of unauthorised building works under the Independent Checking Unit's planned survey	30	55	60
unauthorised buildings works			
reports from members of the public attended to	205	724	750
reports on cantilever canopies	82	63	90
advisory letters issued.....	1 677 [@]	281	1 600[@]
removal orders issued	24	437	450
prosecutions against failure to comply with removal orders.....	7	13	10
dilapidated buildings			
reports from members of the public attended to	73	79	80
repairs orders issued	—Ω	2	10
advice on licensing/registration applications (restaurants, places of public entertainment, tutorial schools, etc.).....	—Ω	492	500

[@] The increase in the number of advisory letters issued/to be issued in 2004 and 2006 respectively is mainly due to the conduction of the planned survey.

Ω Related statistics are not available.

Matters Requiring Special Attention in 2006–07

6 During 2006-07, the Independent Checking Unit will:

- continue with the programme of planned surveys in Home Ownership Scheme/Tenants Purchase Scheme buildings;
- liaise with the Buildings Department and the Food and Environmental Hygiene Department to continue to pursue the Team Clean initiatives in Home Ownership Scheme/Tenants Purchase Scheme buildings and retail and carparking premises;

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- liaise with other government departments to ensure necessary Multi-Disciplinary Response Team measures are in readiness for any outbreak of communicable diseases in Hong Kong; and
- continue to compile as-built records of existing Home Ownership Scheme/Tenants Purchase Scheme and public rental housing buildings, and retail and carparking premises, in line with the Buildings Department's existing practice and format for private housing, to facilitate future building control.

Programme (2): Private Housing

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	2006–07 (Estimate)
Financial provision (\$m)	—	—	—	10.0

Aim

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

Brief Description

8 The work involves:

- monitoring developments in the private housing market;
- releasing data on housing supply in the primary market on a regular basis to enhance market transparency;
- monitoring the regime of self-regulation undertaken by the Real Estate Developers Association of Hong Kong (REDA) to increase the transparency of sale of uncompleted residential units;
- monitoring developments in the private residential rental market after abolition of security of tenure from 9 July 2004;
- liaising with the Hong Kong Housing Society on the disposal of its surplus subsidised sale flats and monitoring the subsidised housing schemes entrusted to the Society;
- working with the Estate Agents Authority (EAA) to further improve the calibre and professionalism of local estate agents; and
- administering the appeal mechanism provided for under the Estate Agents Ordinance.

Matters Requiring Special Attention in 2006–07

9 During 2006–07, the Department will continue to:

- release statistics on private housing supply in the primary market on a quarterly basis;
- closely monitor, in association with REDA, Consumer Council and EAA, the adequacy and transparency of sales information provided by developers to purchasers of uncompleted residential units;
- liaise with EAA to strengthen the qualifying examinations for salespersons and to beef up the training for estate agents; and
- liaise with the Hong Kong Housing Society to make preparations for the sale of its surplus subsidised sale flats.

Programme (3): Appeal Panel (Housing)

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	2006–07 (Estimate)
Financial provision (\$m)	—	—	—	5.1

Aim

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

Brief Description

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

- verifying appellants' status;
- assisting the Chairman of the Panel to appoint the Appeal Tribunals and draw up the hearing schedules;

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

12 The key performance measures in respect of this programme are:

Targets

	Target	2004 (Actual)	2005 (Actual)	2006 (Plan)
issuing notice of hearing and relevant documents to appellant and the Housing Authority not less than 14 days before the fixed hearing date (%)	100	100	100	100
issuing Appeal Tribunal's determination to appellant and the Housing Authority within 14 days after hearing (%)	100	100	100	100

Indicators

	2004 (Actual)	2005 (Actual)	2006 (Estimate)
no. of appeals received	2 574	3 050	3 100
no. of hearing days	173	167	210
no. of hearings arranged#	1 038	915	1 100
no. of appeals heard#	919	794	960

Figures for appeals heard will be less than the actual number of hearings arranged due to adjournment of hearings and appellants' withdrawal of appeals before the hearing.

Matters Requiring Special Attention in 2006–07

13 During 2006–07, the Appeal Panel (Housing) Secretariat will:

- continue measures to cope with the increase in caseload, including strengthening staffing support and increasing the number of Members of the Appeal Panel (Housing);
- continue to provide efficient and effective support services to the Appeal Panel (Housing) in discharging its duties; and
- ensure that Members are kept up-to-date on the latest policies on tenancy issues to facilitate their consideration of appeals.

Programme (4): Rehousing of Occupants upon Clearance

	2004–05 ^Δ (Actual)	2005–06 ^Δ (Original)	2005–06 ^Δ (Revised)	2006–07 (Estimate)
Financial provision (\$m)	333.0	303.0	254.2 (–16.1%)	9.5 (–96.3%)

(or –96.9% on
2005–06 Original)

^Δ The figures include the provision for the previous Programme “Squatter Clearance and Squatter Control” which cover squatter clearance and control duties to be taken up by the Lands Department effective from 1 April 2006 and the rehousing function.

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Aim

14 The aim is to provide rehousing assistance to eligible clearerees affected by government actions in land clearance for development or other purposes, and to victims of natural disasters and other emergency incidents.

Brief Description

15 The work involves:

- verifying rehousing eligibility of the affected occupants;
- screening rehousing applications referred by the Lands Department according to prevailing policies and criteria;
- providing assistance for cases in rehousing the occupants of illegal rooftop structures displaced by the Buildings Department's enforcement actions;
- allocating public rental housing & interim housing to eligible applicants;
- paying singleton and doubleton allowances in lieu of rehousing to eligible applicants;
- providing temporary shelter to victims affected by natural disasters, emergency incidents and other government actions; and
- co-ordinating the use of the transit centres under the purview of the Housing Department.

16 Before the transfer of squatter clearance and control duties for the whole territory to the Lands Department effective from 1 April 2006, the Housing Department acts on behalf of Government to clear land for development or other purposes and to prevent new squatting on government land and leased agricultural land in the New Territories. It also maintains in good repair the public facilities in squatter areas under the Department's Squatter Area Improvement Programme. The work involves:

- surveying domestic structures, business undertakings, etc. within clearance zones;
- screening clearerees and rehousing genuine occupants within the clearance zones;
- deterring, detecting and demolishing new illegal structures;
- investigating cases in which squatters have applied for public rental housing with a view to boarding up or demolishing squatter structures so vacated;
- providing assistance in relocating and rehousing the occupants of illegal rooftop structures displaced by the Buildings Department's enforcement actions;
- assisting the Geotechnical Engineering Office of the Civil Engineering and Development Department to carry out non-development clearances of squatter structures on slope safety grounds;
- assisting the Environmental Protection Department to demolish compensated livestock structures on government land;
- assisting the Lands Department to enforce compliance with licence conditions issued on government land and leased agricultural land;
- registering victims of emergency incidents for subsequent rehousing and arrangement of temporary shelter; and
- maintaining squatter area improvement facilities.

17 The key performance measures in respect of squatter clearance and control are shown under Head 91—Lands Department and those in relation to rehousing of occupants upon clearance are:

Target

	Target	2004 ^Ω (Actual)	2005 ^Ω (Actual)	2006 (Plan)
verification of domestic clearerees' rehousing eligibility after clearance announcement not more than 8 weeks (%).....	100	—	—	100

^Ω Related statistics are not available.

Indicators

	2004 ^Ω (Actual)	2005 ^Ω (Actual)	2006 (Estimate)
programmed squatter clearances or emergency clearances			
no. of applications processed ^β	—	—	800
no. of offers made for public rental housing ^β	—	—	600

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	2004 ^Ω (Actual)	2005 ^Ω (Actual)	2006 (Estimate)
no. of offers made for interim housing ^β	—	—	200
no. of households received other housing benefits ^β	—	—	100
illegal rooftop structure clearances			
no. of applications processed ^β	—	—	900
no. of offers made for public rental housing ^β	—	—	700
no. of offers made for interim housing ^β	—	—	200
no. of households received other housing benefits ^β	—	—	100
emergency			
no. of bedspaces in transit centers provided	—	—	700

^Ω Related statistics are not available.

^β The indicators mainly depend on the progress of the clearance projects, government actions and Buildings Department's programmed enforcement actions against illegal rooftop structures.

Matters Requiring Special Attention in 2006–07

18 During 2006–07, the Department will continue to:

- undertake rehousing for affected occupants;
- maintain computerised records on miscellaneous housing benefits granted by the Lands Department and the Urban Renewal Authority;
- provide temporary shelter to victims affected by natural disasters, emergency incidents and other government actions; and
- co-ordinate the use of the transit centres under the purview of the Housing Department.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2004-05 (Actual) (\$m)	2005-06 (Original) (\$m)	2005-06 (Revised) (\$m)	2006-07 (Estimate) (\$m)
(1) Building Control	—	—	—	64.2
(2) Private Housing	—	—	—	10.0
(3) Appeal Panel (Housing)	—	—	—	5.1
(4) Rehousing of Occupants upon Clearance	333.0	303.0	254.2	9.5
	333.0	303.0	254.2 (-16.1%)	88.8 (-65.1%)
				(or -70.7% on 2005-06 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2006-07 is \$64.2 million. This is the provision for the operating expenses for the programme of building control including salaries and on-cost of 85 staff.

Programme (2)

Provision for 2006-07 is \$10.0 million. This is the provision for the operating expenses for the programme of private housing including salaries and on-cost of nine staff.

Programme (3)

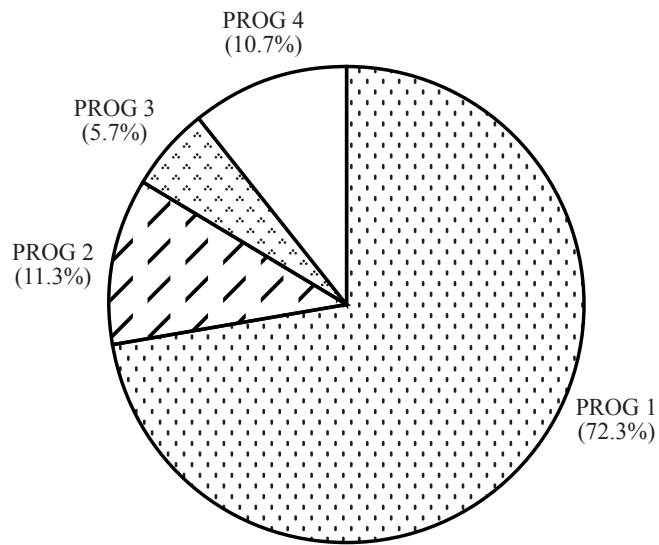
Provision for 2006-07 is \$5.1 million. This is the provision for the operating expenses for the programme of Appeal Panel (Housing) including salaries and on-cost of ten staff.

Programme (4)

Provision for 2006-07 is \$244.7 million (96.3%) lower than the revised estimate for 2005-06. This is mainly due to the transfer of the duties and hence provision for squatter control and clearance for the whole territory to the Lands Department effective from 1 April 2006. The provision in 2006-07 is for the operating expenses for the programme of rehousing of occupants upon clearance including salaries and on-cost of 15 staff.

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*Allocation of provision
to programmes
(2006-07)*



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Sub-head (Code)		Actual expenditure 2004-05	Approved estimate 2005-06	Revised estimate 2005-06	Estimate 2006-07
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	332,952	302,952	254,178	88,827
003	Recoverable salaries and allowances (General)				
		2,809,075			
	Deduct reimbursements	<u>Cr. 2,809,075</u>	<u>—</u>	<u>—</u>	<u>—</u>
	Total, Recurrent	<u>332,952</u>	<u>302,952</u>	<u>254,178</u>	<u>88,827</u>
	Total, Operating Account	<u>332,952</u>	<u>302,952</u>	<u>254,178</u>	<u>88,827</u>
<hr/>					
	Total Expenditure	<u><u>332,952</u></u>	<u><u>302,952</u></u>	<u><u>254,178</u></u>	<u><u>88,827</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2006–07 for the expenses of those activities of the Housing Department that are funded from General Revenue is \$88,827,000. This represents a decrease of \$165,351,000 against the revised estimate for 2005–06 and of \$244,125,000 against actual expenditure in 2004–05.

Operating Account

Recurrent

2 Provision of \$88,827,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses incurred by the Housing Department under the programmes of building control, private housing, Appeal Panel (Housing) and rehousing of occupants upon clearance. The decrease of \$165,351,000 (65.1%) against the revised estimate for 2005–06 is mainly due to the transfer of the duties and hence provision for squatter control and clearance for the whole territory to the Lands Department effective from 1 April 2006.

3 Gross provision of \$2,809,075,000 under *Subhead 003 Recoverable salaries and allowances (General)* is for salaries and allowances for civil servants working in the Housing Authority including those working under the programmes of building control, private housing, Appeal Panel (Housing) and rehousing of occupants upon clearance. Expenditure under this subhead is reimbursed by the Authority.