

Head 62 — HOUSING DEPARTMENT

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

Estimate 2014–15 **\$261.1m**

Controlling Officer's Report

Programmes

<p>Programme (1) Building Control Programme (2) Private Housing Programme (3) Appeal Panel (Housing) Programme (4) Rehousing of Occupants upon Clearance Programme (5) Support Services</p>	<p>These programmes contribute to Policy Area 31: Housing (Secretary for Transport and Housing).</p>
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Detail

Programme (1): Building Control

	2012–13 (Actual)	2013–14 (Original)	2013–14 (Revised)	2014–15 (Estimate)
Financial provision (\$m)	97.3	102.1	103.1 (+1.0%)	129.1 (+25.2%)
				(or +26.4% on 2013–14 Original)

Aim

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

Brief Description

3 ICU has been carrying out building control duties in Home Ownership Scheme (HOS)/Tenants Purchase Scheme (TPS) buildings under delegated authority. The delegation has been extended to retail and carparking premises and some public rental housing estates as a result of the divestment of HA's retail and carparking premises since November 2005 from when the Buildings Ordinance (Cap. 123) has been applicable to this extended portfolio of properties. As at 1 December 2013, the portfolio comprises:

- number of HOS courts/flats : 148 / 224 290
- number of TPS estates/flats : 39 / 186 075
- number of public rental housing estates/flats : 97 / 431 708
- total numbers of courts and estates : 284
- number of retail/carparking premises : 110 / 348
- total numbers of domestic flats (HOS, TPS and public rental housing) : 842 073

4 The work involves:

- processing applications for alteration and addition works within the statutory period,
- attending to emergencies and carrying out enforcement action on:
 - unauthorised building works,
 - dangerous buildings, and
 - defective drainage,
- conducting the Planned Survey for overall improvements to HOS and TPS buildings,

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- processing licensing/registration referrals by government departments (e.g. restaurants, places of public entertainment and tutorial schools),
- processing minor works submissions, and
- implementing the Mandatory Building Inspection Scheme (MBIS) and the Mandatory Window Inspection Scheme (MWIS).

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

Targets

	Target	2012 (Actual)	2013 (Actual)	2014 (Plan)
processing plans for alteration and addition works within 60 days (%)	100	100	100	100
processing resubmissions for alteration and addition works within 30 days (%)	100	99.5	99.4	100
processing applications for consent to commence alteration and addition works within 28 days (%)	100	99.8	99.8	100
advising on restaurant licence applications under the Application Vetting Panel (AVP) system within 12 working days (%)	100	100	98.5	98.0¶
responding to emergencies during office hours (%) :				
within 1.5 hours for cases in urban areas	100	100	100	100
within two hours for cases in new towns in New Territories (N.T.)	100	100	100	100
within three hours for cases in other areas in N.T.	100	—Δ	—Δ	100
responding to emergencies outside office hours (%) :				
within two hours for cases in urban areas and new towns in N.T.	100	100	100	100
within three hours for cases in other areas in N.T.	100	—Δ	—Δ	100
providing non-emergency services for reports on unauthorised building works under construction within 48 hours (%)	100	100	100	100
buildings targeted for prescribed inspection and, if necessary, prescribed repair under MBIS	70/year	24Ψ	84θ	70
flats targeted for prescribed window inspection and, if necessary, prescribed window repair under MWIS	68 700/year	17 231Ψ	73 776Ω	68 700

¶ Due to the substantial increase in overall licensing referral cases from various Licensing Authorities from about 780 in 2007 to the estimated 1 400 in 2014 and extra time required for complicated cases where site verification and detailed calculations are involved, the planned performance is set at 98 per cent, which also tallies with BD's pledge under the AVP system.

Δ No case in the relevant years.

Ψ Full implementation of MBIS and MWIS commenced in the last quarter of 2012.

θ The figure in 2013 is higher than the normal yearly target of 70 buildings due to –

- (i) the selection is on an estate/court basis with the total number of residential buildings in the recommended estates/courts for selection in 2013 being slightly on a high side;
- (ii) the selection is on an estate/court basis with main consideration on residential buildings therein. The selected estates/courts in 2013 happen to have more non-residential building blocks; and
- (iii) on top of ICU's original recommendation, one more court of four buildings has been added as per the Selection Panel's request.

Ω The figure in 2013 is higher than the normal yearly target of 68 700 flats due to the inclusion of additional flats as per the Selection Panel's request.

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Indicators

	2012 (Actual)	2013 (Actual)	2014 (Estimate)
alteration and addition plans received and processed within 60 days.....	190	212	210
resubmitted alteration and addition plans received and processed within 30 days.....	362	359	360
consents to commence alteration and additional works issued.....	576	492	490
buildings to be targeted for clearance of unauthorised building works under ICU's Planned Survey.....	20	20	18
unauthorised buildings works			
reports from members of the public attended to.....	559	429	430
reports on cantilever canopies.....	22	20	18
advisory letters issued.....	1 139	1 167	1 100
removal orders issued.....	410	405	400
prosecutions referred to BD against failure to comply with removal orders.....	39	15	15
dilapidated buildings			
reports from members of the public attended to.....	448	584	580
repairs orders issued.....	0	0	0
mandatory building inspection ^λ			
number of notices issued.....	—	0 ^β	28
mandatory window inspection ^λ			
number of notices issued.....	—	0 ^β	17 000
number of notices discharged.....	—	0 ^β	6 800
advice on licensing/registration applications (restaurants, places of public entertainment, tutorial schools, etc.).....	1 437	1 372	1 400
minor works submissions received.....	14 926	16 372	19 500#

λ New indicators as from 2013. Full implementation of MBIS and MWIS commenced in the last quarter of 2012.

β As MBIS and MWIS were only at their early stage of full implementation, the issue of statutory notices is deferred to 2014 pending full establishment of BD's MBIS and MWIS practices for ICU's implementation.

The estimated increase in 2014 is due to the anticipated gradual increase in submissions resulting from the implementation of MBIS and MWIS.

Matters Requiring Special Attention in 2014–15

6 During 2014–15, ICU will:

- continue with the programme of the Planned Survey in HOS/TPS buildings;
- liaise with other government departments to ensure necessary Multi-Disciplinary Response Team measures are in readiness for any outbreak of communicable diseases in Hong Kong;
- continue to compile as-built records of existing HOS/TPS and public rental housing buildings, and retail and carparking premises, in line with BD's existing practice and format for private housing, to facilitate future building control;
- continue to implement the Minor Works Control System (MWCS); and
- continue to implement MBIS and MWIS, targeting in each year 70 buildings aged 30 or above which require mandatory inspection and, if necessary, repair of the buildings, and 68 700 flats aged ten or above which require mandatory inspection and, if necessary, repair of windows.

Programme (2): Private Housing

	2012–13 (Actual)	2013–14 (Original)	2013–14 (Revised)	2014–15 (Estimate)
Financial provision (\$m)	39.8	60.8	58.5 (–3.8%)	63.8 (+9.1%)
				(or +4.9% on 2013–14 Original)

Aim

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

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Brief Description

- 8 The work involves:
- collecting data, compiling and maintaining a database on private housing supply;
 - releasing data on housing supply in the primary market on a regular basis to enhance market transparency;
 - providing analysis on developments in the private housing market;
 - implementing the Residential Properties (First-hand Sales) Ordinance (Cap. 621) to regulate the sale of first-hand residential properties;
 - monitoring developments in the private residential property market;
 - monitoring the subsidised housing schemes entrusted to the Hong Kong Housing Society (HKHS);
 - working with the Estate Agents Authority (EAA) to further improve the calibre and professionalism of local estate agents; and
 - administering the appeal mechanism provided for under the Estate Agents Ordinance (Cap. 511).

Matters Requiring Special Attention in 2014–15

- 9 During 2014–15, HD will continue to:
- release statistics on private housing supply in the primary market on a quarterly basis,
 - enhance the transparency of the sale of first-hand residential properties,
 - liaise with EAA to enhance the professionalism and service standard of estate agents, and
 - liaise with HKHS on the implementation of subsidised housing projects entrusted to HKHS.

Programme (3): Appeal Panel (Housing)

	2012–13 (Actual)	2013–14 (Original)	2013–14 (Revised)	2014–15 (Estimate)
Financial provision (\$m)	9.4	9.3	8.3 (–10.8%)	8.3 (—)
				(or –10.8% on 2013–14 Original)

Aim

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

Brief Description

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

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

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

Targets

	Target	2012 (Actual)	2013 (Actual)	2014 (Plan)
issuing notice of hearing and relevant documents to appellant and HA not less than 14 days before the fixed hearing date (%).....	100	100	100	100
issuing Appeal Tribunal's determination to appellant and HA within 14 days after hearing (%).....	100	100	100	100

Indicators

	2012 (Actual)	2013 (Actual)	2014 (Estimate)
no. of appeals received.....	974	1 135	1 250
no. of hearing sessions.....	191	164	170
no. of hearings arranged.....	572	538	550
no. of appeals heard.....	477	416	420

Matters Requiring Special Attention in 2014–15

13 During 2014–15, the Appeal Panel (Housing) Secretariat will:

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

Programme (4): Rehousing of Occupants upon Clearance

	2012–13 (Actual)	2013–14 (Original)	2013–14 (Revised)	2014–15 (Estimate)
Financial provision (\$m)	18.4	18.3	19.8 (+8.2%)	20.8 (+5.1%)
				(or +13.7% on 2013–14 Original)

Aim

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

Brief Description

15 The work involves:

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

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

Target

	Target	2012 (Actual)	2013 (Actual)	2014 (Plan)
verification of domestic clearances' rehousing eligibility within eight weeks after clearance announcement (%).....	100	100	100	100

Indicators

	2012 (Actual)	2013 (Actual)	2014 (Estimate)
programmed squatter clearances or emergency clearances			
no. of rehousing applications processed	60	140	330§
no. of offers made for public rental housing	20	80	200§
no. of offers made for interim housing	20	40	80§
no. of households received other housing benefits	1	0	10§
illegal rooftop structure clearances			
no. of rehousing applications processed	180	170	230§
no. of offers made for public rental housing	60	50	60§
no. of offers made for interim housing	10	10	20§
no. of households received other housing benefits	0	0	10§
emergency			
no. of bedspaces in transit centres provided	416	416	416

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

Matters Requiring Special Attention in 2014–15

17 During 2014–15, the Department will continue to:

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

Programme (5): Support Services

	2012–13 (Actual)	2013–14 (Original)	2013–14 (Revised)	2014–15 (Estimate)
Financial provision (\$m)	13.0	19.7	21.1 (+7.1%)	39.1 (+85.3%)
				(or +98.5% on 2013–14 Original)

Aim

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

Brief Description

19 The work involves:

- administering housing-related infrastructure projects under the Capital Works Reserve Fund Head 711 by providing intra-governmental services for implementation of these projects. The work involves liaison with concerned departments at various stages from project inception, feasibility study, funding approval, detailed design and construction to monitoring of the delivery of projects according to schedule and within budget;
- co-ordinating the collection and checking the accuracy of overall public and private housing statistics and providing necessary data and analysis to relevant bureaux and departments for infrastructure and land supply planning;

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- ensuring adequate supply and timely delivery of suitable sites for development of public housing to meet the policy pledge; and
- co-ordinating the follow-up actions arising from the Long Term Housing Strategy review.

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

Indicators

	2012 (Actual)	2013 (Actual)	2014 (Estimate)
no. of infrastructure projects obtaining funding approval from the Legislative Council in the year	1	1	3
no. of infrastructure projects under construction	25	21	17

Matters Requiring Special Attention in 2014–15

21 During 2014–15, HD will continue to liaise closely with concerned bureaux/departments to:

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

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ANALYSIS OF FINANCIAL PROVISION

	2012–13 (Actual) (\$m)	2013–14 (Original) (\$m)	2013–14 (Revised) (\$m)	2014–15 (Estimate) (\$m)
Programme				
(1) Building Control.....	97.3	102.1	103.1	129.1
(2) Private Housing.....	39.8	60.8	58.5	63.8
(3) Appeal Panel (Housing).....	9.4	9.3	8.3	8.3
(4) Rehousing of Occupants upon Clearance.....	18.4	18.3	19.8	20.8
(5) Support Services.....	13.0	19.7	21.1	39.1
	177.9 η	210.2	210.8 α (+0.3%)	261.1 (+23.9%)
				(or +24.2% on 2013–14 Original)

η The figure does not include the expenditure of \$1,897 million for the two months' rent payments for tenants/licencees living in the rental units of HA and HKHS.

α The figure does not include the provision of \$2,150 million for the two months' rent payments for tenants/licencees living in the rental units of HA and HKHS.

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2014–15 is \$26.0 million (25.2%) higher than the revised estimate for 2013–14. This is mainly due to the increase of 26 posts to strengthen the implementation of MWCS, MBIS and MWIS.

Programme (2)

Provision for 2014–15 is \$5.3 million (9.1%) higher than the revised estimate for 2013–14. This is mainly due to the increase of two posts and operating expenses to provide support for tasks related to private housing.

Programme (3)

Provision for 2014–15 is the same as the revised estimate for 2013–14.

Programme (4)

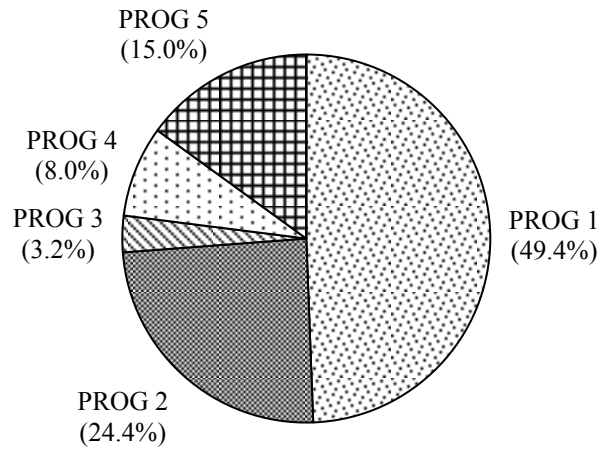
Provision for 2014–15 is \$1.0 million (5.1%) higher than the revised estimate for 2013–14. This is mainly due to the increase in operating expenses.

Programme (5)

Provision for 2014–15 is \$18.0 million (85.3%) higher than the revised estimate for 2013–14. This is mainly due to the increase of 20 posts to provide support for planning and implementing infrastructure projects and community facilities for public housing developments, as well as co-ordinating relevant policy bureaux/departments to kick start the necessary policy reviews on the range of housing issues arising from the recommendations of the Long Term Housing Strategy review.

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*Allocation of provision
to programmes
(2014-15)*



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Sub-head (Code)		Actual expenditure 2012-13	Approved estimate 2013-14	Revised estimate 2013-14	Estimate 2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	177,936	210,178	210,781	261,054
003	Recoverable salaries and allowances (General).....	4,131,589			
	<i>Deduct</i> reimbursements <i>Cr. 4,131,589</i>	—	—	—	—
	Total, Recurrent.....	<u>177,936</u>	<u>210,178</u>	<u>210,781</u>	<u>261,054</u>
Non-Recurrent					
	General non-recurrent	1,896,523 ^φ	—	2,150,000 ^μ	—
	Total, Non-Recurrent.....	<u>1,896,523</u>	<u>—</u>	<u>2,150,000</u>	<u>—</u>
	Total, Operating Account	<u>2,074,459</u>	<u>210,178</u>	<u>2,360,781</u>	<u>261,054</u>
	<hr/>				
	Total Expenditure	<u><u>2,074,459</u></u>	<u><u>210,178</u></u>	<u><u>2,360,781</u></u>	<u><u>261,054</u></u>

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

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

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Details of Expenditure by Subhead

The estimate of the amount required in 2014–15 for the expenses of those activities of the Housing Department that are funded from General Revenue is \$261,054,000. This represents a decrease of \$2,099,727,000 against the revised estimate for 2013–14 (the latter including the provision for one-off two months' rent payments amounting to \$2,150 million for the tenants/licencees living in the rental units of the Housing Authority (HA) and the Hong Kong Housing Society (HKHS)) and a decrease of \$1,813,405,000 against actual expenditure in 2012–13 (the latter including one-off two months' rent payments amounting to \$1,897 million for the tenants/licencees living in the rental units of HA and HKHS).

Operating Account

Recurrent

2 Provision of \$261,054,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses incurred by the Housing Department under the programmes of building control, private housing, Appeal Panel (Housing), rehousing of occupants upon clearance and support services. The increase of \$50,273,000 (23.9%) over the revised estimate of 2013–14 is mainly due to the provision of support for continuing the implementation of the Minor Works Control System, Mandatory Building Inspection Scheme and Mandatory Window Inspection Scheme, for planning and implementing infrastructure projects and community facilities for public housing developments, and for co-ordinating relevant policy bureaux/departments to kick start the necessary policy reviews on the range of housing issues arising from the recommendations of the Long Term Housing Strategy review.

3 Gross provision of \$4,131,589,000 under *Subhead 003 Recoverable salaries and allowances (General)* is for salaries and allowances for civil servants working in HA. Expenditure under this subhead is reimbursed by HA.