

Head 62 — HOUSING DEPARTMENT

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

Estimate 2020–21	\$2,292.1m
Commitment balance.....	\$1,829.0m

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

	2018–19 (Actual)	2019–20 (Original)	2019–20 (Revised)	2020–21 (Estimate)
Financial provision (\$m)	156.6	164.6	173.0 (+5.1%)	182.0 (+5.2%) (or +10.6% on 2019–20 Original)

Aim

2 The Independent Checking Unit (ICU) of the Office of the Permanent Secretary for Transport and Housing (Housing) is delegated with the building control authority over buildings of the Housing Authority (HA) that have been sold or otherwise disposed of under section 4(2)(a) or 17A of the Housing Ordinance (Cap. 283) (HO). The aim is for ICU 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 subsidised sale flats (SSF) buildings under authority delegated by the Building 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 when the Buildings Ordinance (Cap. 123) became applicable to these properties. As at 1 December 2019, the portfolio of properties comprises:

- number of SSF courts/flats : 202 / 423 281
- number of public rental housing estates/flats : 97 / 430 566
- total number of courts and estates : 299
- number of retail/carparking premises : 110 / 348
- total number of domestic flats (SSF and public rental housing) : 853 847

4 The work involves:

- processing applications for building 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 SSF 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	2018 (Actual)	2019 (Actual)	2020 (Plan)
processing building plans within 60 days for new submissions (%)	90.0	97.1	100	90.0
processing building plans within 30 days for re-submission (%)	90.0	94.3	98.7	90.0
processing applications for consent to commence building works within 28 days (%)	90.0	96.9	99.5	90.0
advising on restaurants and places of public entertainment licence applications under the Application Vetting Panel system within 12 working days (%)φ	98.0 [^]	98.4	99.0	98.0
responding to emergencies during office hours (%) :				
within 1.5 hours for cases in urban areas	100	—Δ	—Δ	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 (%)	99 [#]	100	100	99
buildings targeted for prescribed inspection and, if necessary, prescribed repair under MBIS	28/year	29	31	28
flats targeted for prescribed window inspection and, if necessary, prescribed window repair under MWIS	26 560/year	27 080	26 166	26 560

φ Revised description of previous target “advising on restaurant licence applications under the Application Vetting Panel system within 12 working days” as from 2020 to align with BD.

[^] The target is revised from 100 per cent to 98 per cent as from 2020 to align with BD.

[#] The target is revised from 100 per cent to 99 per cent as from 2020 to align with BD.

Indicators

	2018 (Actual)	2019 (Actual)	2020 (Estimate)
building plans received and processed within 60 days	210	254	240
resubmitted building plans received and processed within 30 days	392	387	390
consents to commence building works issued	511	574	550
buildings to be targeted for clearance of unauthorised building works under ICU’s Planned Survey	18	18	18
unauthorised buildings works			
reports from members of the public attended to	553	749	550
reports on cantilever canopies	26	27	18
advisory letters issued	1 115	1 105	1 100

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	2018 (Actual)	2019 (Actual)	2020 (Estimate)
removal orders issued.....	402	403	400
prosecutions referred to BD against failure to comply with removal orders.....	21	27	30
dilapidated buildings			
reports from members of the public attended to	746	731	750
repairs orders issued.....	—Δ	—Δ	—Δ
mandatory building inspection			
notices issued	2 129	17@	10@
notices discharged	4 004	1 628	1 500
mandatory window inspection			
notices issued	14 974	8 895	10 000
notices discharged	10 053	12 565	11 000
advice on licensing/registration applications (restaurants, places of public entertainment, tutorial schools, etc.)	2 032	2 026	2 050
minor works submissions received	28 154	25 432	26 000

Δ No case in the relevant years.

@ Unlike in 2018 and previous years, the target buildings selected on the advice of a consultation panel for implementation of MBIS in 2019 and 2020 do not have flat balconies/verandahs projected from their external walls, and hence only notices for common parts of these buildings were/will be served to the Incorporated Owners or sole owners of these buildings and no notice will be served to individual flat owners. While the number of target buildings is maintained, there was/will be a decrease in the number of notices issued/ to be issued in 2019 and 2020.

Matters Requiring Special Attention in 2020–21

6 During 2020–21, ICU will continue:

- with the programme of the Planned Survey in SSF buildings;
- to compile as-built records of existing SSF 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;
- to implement the Minor Works Control System; and
- to implement MBIS and MWIS for buildings aged 30 years or above which require mandatory inspection and, if necessary, repair of the buildings and flats aged ten years or above which require mandatory inspection and, if necessary, repair of windows.

Programme (2): Private Housing

	2018–19 (Actual)	2019–20 (Original)	2019–20 (Revised)	2020–21 (Estimate)
Financial provision (\$m)	83.6	89.6	92.5 (+3.2%)	92.4 (–0.1%)
				(or +3.1% on 2019–20 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.

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);

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- 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 2020–21

9 During 2020–21, the Department will:

- continue to release statistics on private housing supply in the primary market on a quarterly basis;
- continue to enhance the transparency of the sale of first-hand residential properties;
- continue to liaise with EAA to enhance the professionalism and service standard of local estate agents;
- continue to liaise with HKHS on the implementation of subsidised housing projects entrusted to HKHS;
- take forward the second “Starter Homes” pilot project at the Anderson Road site; and
- continue to take forward the legislative proposal of introducing “Special Rates” on vacant first-hand private residential units.

Programme (3): Appeal Panel (Housing)

	2018–19 (Actual)	2019–20 (Original)	2019–20 (Revised)	2020–21 (Estimate)
Financial provision (\$m)	11.2	12.1	13.3 (+9.9%)	13.3 (—)
				(or +9.9% on 2019–20 Original)

Aim

10 The aim is to provide administrative and secretarial support to the Appeal Panel (Housing) (the Panel) so 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 Panel 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 correspondence from appellants and HA;
- advising Members of the Panel on the scope of authority of the Panel 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 the Panel are:

Targets

	Target	2018 (Actual)	2019 (Actual)	2020 (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	99.6	100	100

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Indicators

	2018 (Actual)	2019 (Actual)	2020 (Estimate)
no. of appeals received.....	747	899	930
no. of hearing sessions	145	152	155
no. of hearings arranged.....	361	421	425
no. of appeals heard.....	270	328	340

Matters Requiring Special Attention in 2020–21

13 During 2020–21, the Appeal Panel (Housing) Secretariat will:

- continue to provide efficient and effective support services to the Panel 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

	2018–19 (Actual)	2019–20 (Original)	2019–20 (Revised)	2020–21 (Estimate)
Financial provision (\$m)	24.4	25.8	28.7 (+11.2%)	27.8 (–3.1%)
				(or +7.8% on 2019–20 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:

- screening rehousing applications referred by the Lands Department (LandsD) according to prevailing policies and criteria and verifying their rehousing eligibility;
- providing assistance in rehousing the occupants of illegal rooftop structures displaced by BD’s enforcement actions and verifying their rehousing eligibility;
- allocating public rental housing and interim housing to eligible applicants;
- paying singleton and doubleton allowances/issuing 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.

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

Target

	Target	2018 (Actual)	2019 (Actual)	2020 (Plan)
verification of domestic clearerees’ rehousing eligibility within eight weeks upon receipt of referrals from relevant departments (%).....	100	100	100	100

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Indicators

	2018 (Actual)	2019 (Actual)	2020 (Estimate)
programmed squatter clearances or emergency clearances			
no. of rehousing applications processed	100	670	410§
no. of offers made for public rental housing	20	600	350§
no. of offers made for interim housing	40	30	10§
no. of households received other housing benefits	—¶	10	10§
illegal rooftop structure clearances			
no. of rehousing applications processed	60	40	70§
no. of offers made for public rental housing	10	10	20§
no. of offers made for interim housing	10	10	20§
no. of households received other housing benefits	—¶	—¶	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.

¶ No case in the relevant years.

Matters Requiring Special Attention in 2020–21

17 During 2020–21, 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

	2018–19 (Actual)	2019–20 (Original)	2019–20 (Revised)	2020–21 (Estimate)
Financial provision (\$m)	46.8	65.9	64.0 (–2.9%)	147.6 (+130.6%) (or +124.0% on 2019–20 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;
- monitoring the supply and timely delivery of suitable sites for development of public housing to attain the policy pledge;
- accepting, vetting and handling funding applications to the funding scheme to support transitional housing projects by non-governmental organisations (NGOs) and facilitating the various short-term community initiatives to achieve the transitional housing supply target as pledged by the Government in the coming three years; and
- conducting a feasibility study on introducing tenancy control on sub-divided units, including providing secretarial support to the newly created Advisory Working Group for the Study of Tenancy Control of Sub-Divided Units and overseeing a consultancy study.

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

Indicators

	2018 (Actual)	2019 (Actual)	2020 (Estimate)
no. of infrastructure projects obtaining funding approval from the Legislative Council in the year	7	2	8
no. of infrastructure projects under construction	37	38	44

Matters Requiring Special Attention in 2020–21

21 During 2020–21, the Department 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;
- monitor the progress on supply and timely availability of public housing sites;
- implement the funding scheme to support transitional housing projects by NGOs and facilitate various short-term community initiatives to contribute towards the pledged target of transitional housing supply by the Government in the coming three years; and
- conduct a feasibility study on introducing tenancy control on sub-divided units, including providing secretarial support to the newly created Advisory Working Group for the Study of Tenancy Control of Sub-Divided Units and oversee a consultancy study.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2018–19 (Actual) (\$m)	2019–20 (Original) (\$m)	2019–20 (Revised) (\$m)	2020–21 (Estimate) (\$m)
(1) Building Control.....	156.6	164.6	173.0	182.0
(2) Private Housing.....	83.6	89.6	92.5	92.4
(3) Appeal Panel (Housing).....	11.2	12.1	13.3	13.3
(4) Rehousing of Occupants upon Clearance.....	24.4	25.8	28.7	27.8
(5) Support Services.....	46.8	65.9	64.0	147.6
	322.6	358.0	371.5 ^α (+3.8%)	463.1 ^α (+24.7%)
				(or +29.4% on 2019–20 Original)

^α The figure does not include the provision of rent payment for tenants / licencees living in the rental units of HA and HKHS.

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2020–21 is \$9.0 million (5.2%) higher than the revised estimate for 2019–20. This is mainly due to the net increase of seven posts for coping with additional workload in building control on buildings of HA and former HA buildings which are subject to the Buildings Ordinance.

Programme (2)

Provision for 2020–21 is \$0.1 million (0.1%) lower than the revised estimate for 2019–20. This is mainly due to the decrease in operating expenses.

Programme (3)

Provision for 2020–21 is the same as the revised estimate for 2019–20.

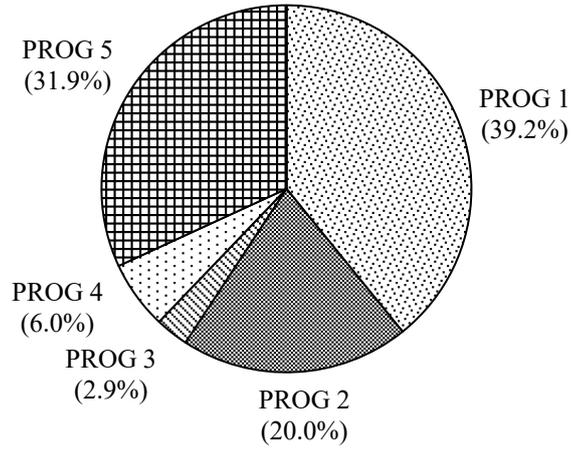
Programme (4)

Provision for 2020–21 is \$0.9 million (3.1%) lower than the revised estimate for 2019–20. This is mainly due to the decrease in operating expenses.

Programme (5)

Provision for 2020–21 is \$83.6 million (130.6%) higher than the revised estimate for 2019–20. This is mainly due to the net increase of 24 posts for implementing infrastructure projects and community facilities for public housing developments and monitoring the supply and timely delivery of suitable public housing sites; and net increase of 22 posts for facilitating the implementation of various community initiatives on transitional housing as well as net increase of four posts for conducting a feasibility study on introducing tenancy control on sub-divided units, including providing secretarial support to the newly created Advisory Working Group for the Study of Tenancy Control of Sub-Divided Units and overseeing a consultancy study.

*Allocation of provision
to programmes
(2020-21)*



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Sub-head (Code)		Actual expenditure 2018–19	Approved estimate 2019–20	Revised estimate 2019–20	Estimate 2020–21
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	322,579	357,962	371,506	463,097
003	Recoverable salaries and allowances (General).....	5,722,806			
	<i>Deduct</i> reimbursements <i>Cr.</i> 5,722,806	—	—	—	—
	Total, Recurrent.....	<u>322,579</u>	<u>357,962</u>	<u>371,506</u>	<u>463,097</u>
Non-Recurrent					
700	General non-recurrent	—	—	1,433,000	1,829,000
	Total, Non-Recurrent.....	<u>—</u>	<u>—</u>	<u>1,433,000</u>	<u>1,829,000</u>
	Total, Operating Account	<u>322,579</u>	<u>357,962</u>	<u>1,804,506</u>	<u>2,292,097</u>

	Total Expenditure	<u><u>322,579</u></u>	<u><u>357,962</u></u>	<u><u>1,804,506</u></u>	<u><u>2,292,097</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2020–21 for the expenses of those activities of the Housing Department that are funded from General Revenue is \$2,292,097,000 (which included the provision for one-off one month's rent payment amounting to \$1,829 million for the tenants/licencees living in the rental units of the Housing Authority (HA) and the Hong Kong Housing Society (HKHS)). This represents an increase of \$487,591,000 against the revised estimate for 2019–20 (which included the provision for one-off one month's rent payment amounting to \$1,433 million for the tenants/licencees living in the rental units of HA and HKHS) and \$1,969,518,000 over the actual expenditure in 2018–19.

Operating Account

Recurrent

2 Provision of \$463,097,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of 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 \$91,591,000 (24.7%) over the revised estimate for 2019–20 is mainly due to the increased provision arising from the net increase of 57 posts to meet the demands of ongoing and new commitments.

3 Gross provision of \$5,722,806,000 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.

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2019	Revised estimated expenditure for 2019–20	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	802	Rent payment for public housing tenants ^Ω	3,262,000 ^Ω	—	1,433,000	1,829,000
		Total	<u>3,262,000</u>	<u>—</u>	<u>1,433,000</u>	<u>1,829,000</u>

^Ω The approved commitment for the item was \$1,433 million. An increase in commitment of \$1,829 million is sought in the context of the Appropriation Bill 2020.