

Minutes of the 2nd Meeting of
the Commerce, Industry and Housing Committee (2018-2019) of
the Tuen Mun District Council

Date: 5 February 2018 (Monday)

Time: 9:30 a.m.

Venue: Tuen Mun District Council (TMDC) Conference Room

<u>Present</u>		<u>Time of Arrival</u>	<u>Time of Departure</u>
Ms CHING Chi-hung (Chairman)	TMDC Member	9:30 a.m.	End of meeting
Mr CHAN Manwell, Leo (Vice-chairman)	TMDC Member	9:37 a.m.	End of meeting
Mr LEUNG Kin-man, BBS, MH, JP	TMDC Chairman	9:30 a.m.	End of meeting
Mr LEE Hung-sham, Lothar, BBS, MH	TMDC Vice-chairman	9:30 a.m.	End of meeting
Mr TO Sheck-yuen, MH	TMDC Member	9:31 a.m.	End of meeting
Ms KONG Fung-yi	TMDC Member	9:30 a.m.	End of meeting
Mr NG Koon-hung	TMDC Member	9:30 a.m.	11:53 a.m.
Ms WONG Lai-sheung, Catherine	TMDC Member	9:49 a.m.	End of meeting
Mr AU Chi-yuen	TMDC Member	9:32 a.m.	End of meeting
Ms HO Hang-mui	TMDC Member	9:30 a.m.	End of meeting
Mr TSUI Fan, MH	TMDC Member	9:30 a.m.	End of meeting
Ms LUNG Shui-hing, MH	TMDC Member	9:30 a.m.	End of meeting
Mr CHAN Man-wah, MH	TMDC Member	9:30 a.m.	End of meeting
Mr CHEUNG Hang-fai	TMDC Member	9:30 a.m.	End of meeting
The Hon HO Kwan-yiu, JP	TMDC Member	9:30 a.m.	11:59 a.m.
Ms CHU Shun-nga, Beatrice	TMDC Member	9:30 a.m.	End of meeting
Mr TSANG Hin-hong	TMDC Member	9:30 a.m.	End of meeting
Ms SO Ka-man	TMDC Member	9:30 a.m.	End of meeting
Mr KAM Man-fung	TMDC Member	9:41 a.m.	End of meeting
Mr MO Shing-fung	TMDC Member	9:30 a.m.	End of meeting
Mr YEUNG Chi-hang	TMDC Member	9:30 a.m.	End of meeting
Mr YAN Siu-nam	TMDC Member	9:30 a.m.	End of meeting
Mr FUNG pui-yin	Co-opted Member	9:30 a.m.	End of meeting
Mr CHAN Ho-ting	Co-opted Member	9:30 a.m.	10:20 a.m.
Ms LAI Ka-man	Co-opted Member	9:30 a.m.	End of meeting
Mr LEUNG Ka-tai, Gary	Co-opted Member	9:30 a.m.	End of meeting
Mr LAW Wai-hung	Co-opted Member	9:30 a.m.	End of meeting
Ms HO Chui-wan, Ida (Secretary)	Executive Officer (District Council) 1, Tuen Mun District Office, Home Affairs Department		

By Invitation

Mr CHOW Wai-yip	Assistant Divisional Officer, Fire Services Department
Mr CHOW Cheuk-fung	Senior Station Officer, Fire Services Department
Mr CHAN Wai-shun	Station Officer, Fire Services Department
Mr Patrick LAU	Senior Manager, Building Rehabilitation, Urban Renewal Authority
Mr Eugene YUE	Senior Manager, Community Development, Urban Renewal Authority

In Attendance

Ms YAN Yuet-han, Fion	Senior Liaison Officer (1), Tuen Mun District Office, Home Affairs Department
Ms Rene CHAK	Liaison Officer i/c Building Management & Town Centre, Tuen Mun District Office, Home Affairs Department
Mr CHOI Chi-man, Michael	Senior Building Surveyor/E5, Buildings Department
Mr YAN Chi-shing	Station Commander Castle Peak Bay Fire Station, Fire Services Department
Ms CHENG Chui-king, Christine	Housing Manager/Tuen Mun 4, Housing Department
Ms WA Lei-chun, Winnie	Senior Community Relations Officer/ICAC Regional Office (NTNW), Independent Commission Against Corruption
Mr HO Chik-tung, Dennis	Labour Officer (Workplace Consultation Promotion), Labour Department
Mr TAM Kwok-leung	Administrative Assistant/Lands, District Lands Office, Tuen Mun, Lands Department (Acting)

Absent with Apologies

Mr LAM Chung-hoi	TMDC Member
Mr TAM Chun-yin	TMDC Member
Mr WONG Yu-kei	Co-opted Member

I. Opening Remarks

The Chairman welcomed all present to the 2nd meeting of the Commerce, Industry and Housing Committee (“CIHC”).

2. The Chairman reminded Members that Members who were aware of their personal interests in any matters discussed at the meeting should declare the interests before the discussion. The Chairman would, in accordance with Order 39(12) of the Tuen Mun District Council (“TMDC”) Standing Orders, decide whether the Members who had declared interests might speak or vote on the matters, might remain at the meeting as observers, or should withdraw from the meeting. All cases of declaration of interests would be recorded in the minutes of the meeting.

II. Absence from Meeting

3. The Secretary reported that no applications for leave of absence had been received from Members.

III. Confirmation of Minutes 13th Meeting of CIHC (2016-2017) and 1st Meeting of CIHC (2018-2019)

4. As Members proposed no amendments to the minutes, the Chairman announced that the minutes of the above meetings were confirmed.

IV. Discussion Items

(A) Terms of Reference for CIHC (2018-2019) of TMDC (CIHC Paper No. 1/2018)

5. The Chairman said the terms of reference for the CIHC of the current term had been endorsed by the TMDC on 7 November 2017. As there were no proposed amendments, the Chairman asked all Members to note the above terms of reference.

(B) Formation of Working Groups under CIHC (2018-2019) (CIHC Paper No. 2/2018)

6. The Chairman invited Members’ comments on whether to keep the working groups set out in the paper.

7. As Members had no objection, the CIHC decided to form the Working Group on Occupational Safety and Health, the Working Group on Economic

Development in Tuen Mun, and the Working Group on Building Management again.

8. The Chairman invited Members to nominate candidates for convenors of the working groups.

9. Mr TSANG Hin-hong nominated Mr Lothar LEE as the Convenor of the Working Group on Occupational Safety and Health. The nomination was seconded by Ms LUNG Shui-hing and accepted by Mr Lothar LEE. As there was no other nomination, the Chairman announced that Mr Lothar LEE became the Convenor of the above working group.

10. Mr HO Kwan-yiu nominated Mr Leo CHAN as the Convenor of the Working Group on Economic Development in Tuen Mun. The nomination was seconded by Mr Lothar LEE and accepted by Mr Leo CHAN. As there was no other nomination, the Chairman announced that Mr Leo CHAN became the Convenor of the above working group.

11. Mr MO Shing-fung nominated the Chairman as the Convenor of the Working Group on Building Management. The nomination was seconded by Mr TSUI Fan and accepted by the Chairman. As there was no other nomination, the Chairman announced that she herself became the Convenor of the above working group.

12. The Chairman asked the Secretariat to write to all Members after the meeting inviting them to join the above working groups. Secretariat

(Post-meeting note: The Secretariat wrote to all Members on 5 February 2018 inviting them to join the above three working groups.)

(C) **An Introduction to Fire Safety (Buildings) Ordinance (Cap. 572)**
(CIHC Paper No. 3/2018)

13. The Chairman welcomed Mr CHOW Wai-yip, Assistant Divisional Officer, Mr CHOW Cheuk-fung, Senior Station Officer, and Mr CHAN Wai-shun, Station Officer, of the Hong Kong Fire Services Department (“FSD”) to the meeting.

14. Mr CHOW Wai-yip of the FSD gave a PowerPoint presentation (Annex

1)* to briefly introduce the details of the captioned ordinance to Members.

*Only available in Chinese

15. Members made comments and enquiries on the matter as follows:

- (i) A Member enquired if there were any restrictions on the height or the number of units of a building participating in the Pilot Scheme on the Incorporation of the Fresh Water Supply System into the Fire Hydrant/Hose Reel System (“Pilot Scheme”);
- (ii) A Member pointed out that some buildings had no owners’ corporation (“OC”) and suggested the FSD clearly explain the requirements of the ordinance to the owners of these buildings;
- (iii) A Member said most of the residents in old buildings were elderly people who might not understand the details of various financial assistance schemes. The Member suggested staff of the Home Affairs Department (“HAD”) help these owners to apply for suitable financial assistance when necessary; and
- (iv) A Member enquired whether compliance with the captioned ordinance was mandatory, whether owners would be punished for failing to comply with the fire safety directions issued by the FSD, and why there was no record of buildings in Tuen Mun that had acted upon fire safety directions as at 31 December 2017.

16. Mr CHOW Cheuk-fung of the FSD responded that under the Pilot Scheme, buildings of seven or more storeys or more than 20 metres in height were allowed to use fresh water in fresh water tanks for fire service purposes, and if the fresh water tank did not have enough capacity to be used currently for fire service purposes, the owners might build a water tank of smaller capacity in addition to the fresh water tank, so as to meet the requirement of the ordinance. If a building had no OC, the department would contact the HAD before issuing a fire safety direction and seek the HAD’s assistance in communicating with the owners concerned and forming an OC. Owners might contact the case officer concerned if they needed any help in their application for financial assistance. Moreover, the case officer would also follow up on whether the owners had enhanced fire service facilities in the building in accordance with the directive; if

the owners failed to complete the improvement measures concerned within a reasonable period of time, the department had a responsibility to take enforcement action under the ordinance to ensure fire safety in old buildings. Before initiating a prosecution, the department would consider the evidences and circumstances in each case including, among others, the follow-up actions taken by individual owners and/or occupiers in response of the directive. He stressed that the requirement for owners' compliance with fire safety directions served to protect the public's safety, so the department would provide active support on improvements to fire service facilities in buildings. If Members knew any owners were facing difficulties in improving fire service facilities in their buildings, they might contact the FSD and the department would offer assistance as far as possible.

17. In addition, Mr CHOW Wai-yip of the FSD said that in Tuen Mun there were not many target buildings that required action in accordance with fire safety directions, so there was no record of buildings that had acted upon fire safety directions at the moment. And in some buildings, there were residential units and floor shops, and both of them should complete fire safety directions before the buildings were considered to be in compliance with fire safety directions, and this might affect the progress. Despite this, the department would provide different support to boost the number of buildings in compliance with fire safety directions.

18. A Member said that in view of the earlier incidents of lead in drinking water, the Water Supplies Department ("WSD") had revised the ordinances relating to water pipes. He asked whether the FSD had encountered any difficulties in implementing the policy of allowing owners to use fresh water in fresh water tanks for fire service purposes and whether it had liaised with the WSD beforehand.

19. Mr CHOW Cheuk-fung of the FSD responded that if owners installed improvised hose reel systems and used fresh water pipes for water supply or chose to use fresh water in fresh water tanks for fire service purposes, the contractors should, in accordance with the requirement of the WSD, install backflow preventive devices as well to prevent fresh water from being contaminated by fire service water. The WSD's support for the above arrangements had been secured and the department would make facilitating arrangements as appropriate.

20. The Chairman thanked the FSD for attending the meeting to give the brief introduction to Members. She asked Members to help publicise the requirements of the captioned ordinance in the community and asked the Tuen Mun District Office (“TMDO”) to consider arranging briefing sessions at the buildings concerned.

(D) Briefing on Concessionary Scheme of “Smart Tender” by Urban Renewal Authority
(CIHC Paper No. 4/2018)

21. The Chairman welcomed Mr Patrick LAU, Senior Manager, Building Rehabilitation, and Mr Eugene YUE, Senior Manager, Community Development, of the Urban Renewal Authority (“URA”) to the meeting.

22. Mr Patrick LAU of the URA gave a PowerPoint presentation (Annex 2)* to briefly introduce the captioned scheme to Members.

*Only available in Chinese

23. Members made different comments on the brief introduction by the URA, which are summarised as follows:

- (i) A Member opined that while the scheme could help reduce the risk of bid-rigging, the high fees might discourage some owners from participation. The Member suggested the URA regularise the concession and consider providing free services and strengthening publicity;
- (ii) A Member believed that the electronic tendering platform could effectively reduce the risk of bid-rigging and suggested the tender lists of contractors and authorised persons be included on the platform as well;
- (iii) A Member reckoned that the scheme could help owners to look for suitable contractors, but this was not enough. The Member suggested the URA send its staff to attend owners’ meetings to explain tendering procedures;
- (iv) A Member noted that the various government-launched mandatory inspection schemes had created numerous business opportunities and, with calculation and deliberation, many people or groups would proactively

acquire units or parking spaces in old buildings, and arrange for contractors who had good relationships with them to engage in bid-rigging when the buildings required maintenance. Therefore, the Member held the view that if the Government was determined to eradicate bid-rigging, the URA should coordinate and assist in owners' outsourcing of maintenance works;

- (v) A Member pointed out that persons who coordinated bid-rigging would use different means to coerce owners into submitting authorisation letters and, even if the HAD had sent its staff to attend owners' meetings, they could not avoid the meetings being dominated by these persons. The Member suggested the relevant departments provide legal support for owners and learn from experience to make sustained improvements to the scheme; and
- (vi) A Member reckoned that in the long run, the Government should participate in OC affairs and become an OC member to help coordinate maintenance work. The Member suggested the HAD, the URA and the Law Society of Hong Kong work together to offer assistance to owners.

24. Mr Patrick LAU of the URA gave responses to Members' comments, which are summarised as follows:

- (i) The feasibility of including the tender list of authorised persons in the electronic tendering platform was under study;
- (ii) After OCs completed tendering procedures, the URA would send its staff to their meetings to help owners to select suitable contractors;
- (iii) Independent surveying consultants would be provided under "Smart Tender" to offer OCs professional advice on maintenance works. The advice would be provided in writing for OCs' reference and follow up;
- (iv) The URA suggested owners make applications before appointing authorised persons or registered inspectors because the authority would provide relevant market information for the owners' reference after the owners joined the scheme, so as to help the owners to make the right decisions in the appointment of authorised persons or registered inspectors;

- (v) Various financial assistance schemes were currently available at the URA for application by owners of buildings with different average rateable values of domestic units. The proposal made by a Member that the URA should provide free services for owners under the “Smart Tender” scheme would be referred to the relevant departments;
- (vi) The authority would be glad to provide assistance if owners needed the URA to send representatives to attend owners’ meetings; and
- (vii) The authority would continue to hear the views of district councils and owners in a bid to improve the services of the scheme.

25. A Member reiterated that “Smart Tender” was not effective in eradicating bid-rigging coordinated by malicious persons. The Member suggested that the URA set up a hotline for owners to report cases of suspected bid-rigging, and that the URA assign its staff to sit on OCs to help coordinate maintenance work.

26. The Chairman said that currently there were just a few OCs choosing the “Smart Tender” scheme and just several applications in Tuen Mun. She said the Working Group on Building Management might organise talks to promote “Smart Tender” in the year ahead. Besides, she invited Members to assist in publicity and encourage owners’ participation. She thanked the URA representatives to attend the meeting and would like them to help relay Members’ views.

(F) Request Government to Attach More Importance to Problem of Building Services and Facilities

(CIHC Paper No. 6/2018)

(Written Response of Hong Kong Police Force)

27. A proposer of the paper said there were many public housing estates aged over 25 in Tuen Mun, with their community facilities ageing gradually and requiring repairs and renovation. She suggested the URA form “dedicated support teams for major building maintenance” to provide OCs with support on building maintenance works. Besides, she requested government departments to provide financial assistance and technical support on the installation of closed circuit televisions (“CCTV”) for village houses and housing courts with no management companies, in a bid to improve the relatively poor security.

28. Mr Patrick LAU of the URA responded that building rehabilitation was one of the main duties of the authority, so the Building Rehabilitation Division had been formed in 2004 to follow up on the related matters. Starting from July 2015, the division accepted applications from Tuen Mun in respect of different professional support (including the Building Rehabilitation Assistance Scheme and the Mandatory Building Inspection Subsidy Scheme), and case officers would attend OC meetings to offer advice. He further said the matters handled by the Building Rehabilitation Division were exactly in line with those of the “dedicated support teams for major building maintenance” proposed in the paper, and the authority would launch a web-based information platform later to provide different information on building rehabilitation for owners.

29. Members made comments on the discussion paper and the URA’s responses as follows:

- (i) A Member said all the existing CCTVs in village houses were installed by owners at their own expense and there might be privacy concerns. He supported the proposal for the Government to provide financial assistance and would like to discuss the related arrangements with the responsible departments;
- (ii) A Member suggested the Government form a dedicated department for building management matters, and the Government should, as appropriate, charge owners of private properties for the services it provided because private properties were the assets of owners; and
- (iii) A Member suggested the URA enhance the promotion of “Smart Tender”, consider offering legal advice on maintenance matters to owners, and invite the Independent Commission Against Corruption (“ICAC”) to join “Smart Tender” to assist in dealing with bid-rigging issues.

30. The Chairman asked the TMDO to explore whether it was possible to allocate some resources from village improvement schemes for improvements to the relative poor security in village houses.

TMDO

(Post-meeting note: The HAD-launched Rural Public Works Programme was aimed to improve the basic facilities and living environment of village communities. Under the current Rural Public Works Programme, there was no financial assistance for the installation of CCTV anti-theft systems in village

houses and housing courts.)

(E) Request for Stronger Support for Public in Respect of Housing and Home Acquisition

(CIHC Paper No. 7/2018)

(Written Response of Financial Secretary's Office)

31. The first proposer of the paper said society expected the Government to have a massive fiscal surplus in the current year, so it was hoped that the Government could make good use of its reserves by, for example, providing stamp duty concessions for first-time home buyers and waiving mortgage insurance premiums to help members of the public to purchase self-occupied properties. Moreover, the Government might offer, through the Community Care Fund, financial assistance to tenants receiving no social assistance by reducing their rates and waiving public housing rents.

32. Members made different comments on the matter, which are summarised as follows:

- (i) A Member suggested that while providing financial assistance for members of the public who bought self-occupied properties, the Government should constrain the buyers from selling the properties for profits within a short period of time, so as to prevent the abuse of financial assistance;
- (ii) A Member said that given the sky-high property prices, the public could hardly save enough money to make down payments on properties. The Member suggested the Government offer support in this regard;
- (iii) A Member suggested more public housing be built, and the time limit for the disposal of original properties by buyers who changed properties be extended to one year, so that they could have plenty of time for preparation;
- (iv) A Member expressed disagreement with the Government's use of public resources to subsidise the public's purchase of private properties. The Member suggested exploring the feasibility of allowing the public to use MPF contributions to make down payments;
- (v) A Member held the view that property prices soared chiefly because land

premium was so high that developers bid land at high prices and the prices of completed properties would thus inevitably be even higher. The Member suggested the Government develop new towns;

- (vi) A Member opined that the Government should have sent representatives to the meeting to hear the opinions of the TMDC and should, by reference to the practice in Singapore, provide subsidised housing and at the same time prohibit the sale of subsidised housing on the private market to prevent property prices from being pushed higher and higher by speculation;
- (vii) While expressing support for the proposal of the paper, a Member opined that long-term planning was good but too distant to solve the pressing problem. The Member suggested the Government provide financial assistance for public housing residents to change flats, so that they could return their public housing units after purchasing a property and the waiting time for public housing could thus be shortened;
- (viii) Noting that the Government's earlier plan to reclaim land in Lung Kwu Tan had faced strong opposition, a Member did not understand why the community called for more public housing development on one hand but opposed development on the other hand;
- (ix) A Member noted that the Government had earlier invested \$60 million in a study on the Hung Shui Kiu development project, but no progress had been made on the project so far since it had met with opposition from the affected people after gazetting. Therefore, the Member suggested the CIHC write to the relevant departments requesting the Government to start the Hung Shui Kiu development project as soon as possible;
- (x) A Member opined that the relevant government departments had a responsibility to attend TMDC meetings to exchange views with Members on the matters concerned. The Member requested the TMDC Secretariat to relay to above views to the relevant government departments before meetings;
- (xi) A Member considered it was unfair on the TMDC because the Government's coordination in the land planning consultation was

ineffective, but in the face of residents' opposition, it told the public that the TMDC did not support the applications for land planning; and

- (xii) A Member suggested the CIHC write to the Financial Secretary's Office ("FS's Office") expressing the views of Members.

33. The Chairman said the discussion paper merely put forward proposals in respect of the Budget, and if Members wished to comment on matters relating to housing planning, they might submit other papers for discussion. The Chairman added that the CIHC would write to the FS's Office expressing Members' views on the Budget and their dissatisfaction with the office's failure to send representatives to attend the meeting. Secretariat

(Post-meeting note: The above letter was sent on 23 March 2018.)

V. Reporting Items

(A) Report on Removal of Restrictions on Entering Public Estate

34. The Chairman said the CIHC had discussed the captioned matter for many times. She would like the Housing Department ("HD") to explain more about the management of common areas after the sale of the shopping centre by Link Asset Management Limited ("Link") and the arrangements for the removal of restriction on entry to the public housing estate.

35. Ms Christine CHENG of the HD said Link had sold the H.A.N.D.S. shopping centre to another management company and the arrangements for the management of common areas would remain unchanged. Regarding the installation of a drop bar in Siu On Court, according to the deed of mutual covenant, the drop bar was put up in a common area of the housing court and managed by the HD.

36. The Chairman enquired whether the drop bar would be removed if Link sold the Siu On Court car park in the future.

37. Ms Christine CHENG of the HD responded that the drop bar would not be removed easily since it had been included in the deed of mutual covenant and was one of the facilities for road control.

38. The Chairman asked whether the HD had reached a consensus with the

OC of Siu On Court on the arrangements for entry to the estate.

39. Ms Christine CHENG of the HD responded that the OC of Siu On Court had given consent to the installation of an infrared entry gate system to facilitate entry and exit.

40. Members made different comments and enquiries on the HD's responses, which are summarised as follows:

- (i) A Member reckoned that the HD should remove the drop bar in On Ting Estate as it seriously impeded the entry and exit of school buses and non-franchised buses (residents' coaches), leading to frequent congestion there;
- (ii) A Member held the view that the CIHC should close the discussion of this matter as it was about restriction on entry to the estate, and the HD had replied that the drop bar in Siu On Court would be kept. The Member also opined that it was not efficient to discuss matters concerning the management of a particular housing estate at TMDC meetings. The Member suggested Members offer their views at the Estate Management Advisory Committee ("EMAC") concerned;
- (iii) A Member enquired whether the HD had discussed the arrangements for the drop bar with the new management company;
- (iv) A Member opined that the gate machine was too old and it was necessary for the HD to examine and replace it; and
- (v) A Member requested the CIHC's further discussion on this matter so that the proposers of the paper who were unable to attend this meeting could join the discussion.

41. The Chairman said the CIHC should close the discussion of this matter as the HD had clearly replied that the drop bar in Siu On Court would not be removed. Besides, she asked the HD to further follow up on estate management matters at the EMAC.

42. Members made further comments as follows:

- (i) A Member said the same model of drop bar were used in all public

housing estates in Tuen Mun, so all housing estates should be covered if the HD planned to replace the gate machine;

- (ii) A Member said the CIHC's follow up was necessary as Siu On Court had no EMAC. The Member reiterated that the CIHC should further discuss this matter and should not close the discussion of the matter without the presence of the proposers of the paper at the meeting;
- (iii) A Member opined that Members gave up the chance to participate in discussion themselves by not attending a meeting, and that housing estate management was a matter of routine and should be handled by EMACs; and
- (iv) A Member opined that the CIHC had completed its follow-up on the matter concerning restriction on entry to the estate.

43. The Chairman said the CIHC would not further discuss this matter, and she would like the HD to keep in close contact with various stakeholders and, when appropriate, review and follow up on matters concerning the management of public housing estates.

(B) Work Report on Private Building Management in Tuen Mun District (CIHC Paper No. 7/2018)

44. Members noted the above work report.

(C) Report by Buildings Department (CIHC Paper No. 8/2018)

45. Members noted the contents of the report by the Buildings Department.

VI. Any Other Business and Date of Next Meeting

46. There being no other business, the Chairman closed the meeting at 12:04 p.m. The next meeting would be held on 9 April 2018.