

(Translation)

Restricted

**Elderly Commission**

**Minutes of the 41<sup>st</sup> Meeting**

Room 2005, Murray Building, Garden Road, Central  
2:30 p.m., 22 February 2005 (Tuesday)

**Present:**

**Chairman**

The Hon TAM Yiu-chung, GBS, JP

**Vice-Chairman**

Dr Y N CHOW, York, SBS, JP

Secretary for Health, Welfare and Food

**Members**

Mrs LAM PEI Yu-dja, Peggy, GBS, JP

Dr WU Wai-yung, Raymond, GBS, JP

Prof CHAN Cheung-ming, Alfred, JP

Mr LAI Kam-cheung, Michael, JP

Mr WONG Hong-yuen, Peter, GBS, JP

Dr NG Yau-yung, JP

Dr LUM Shun-sui, Susie

Ms WONG Yiu-ming, Anita

Dr LAM Ching-choi, JP

Prof Jean WOO

Mr TANG Kwok-wai, Paul, JP

Director of Social Welfare

Mr LAU Kai-hung, JP	Representative of Director of Housing
Dr CHAN Wai-man, JP	Representative of Director of Health
<b>Secretary</b>	
Mrs Brenda FUNG	Principal Assistant Secretary for Health, Welfare and Food
<b><u>In Attendance:</u></b>	
Ms Salina YAN	Deputy Secretary for Health, Welfare and Food
Mr Eugene FUNG	Principal Assistant Secretary for Health, Welfare and Food
Dr CHAN Ching-nin, Clive	Senior Medical and Health Officer, Department of Health
Dr THAM May-ked	Senior Medical and Health Officer, Department of Health
Mrs Kathy NG	Assistant Director (Elderly), Social Welfare Department
Ms Grace CHAN	Chief Social Work Officer, Social Welfare Department
Mr LAM Ka-tai	Chief Social Work Officer, Social Welfare Department
Mrs CHANG LAM Sook-ye	Senior Social Work Officer, Social Welfare Department
Mrs KWOK LI Mung-ye, Helen	Senior Social Work Officer, Social Welfare Department
Mrs Senna SMITH	Executive Manager (Contract Management), Social Welfare Department
Ms L C WONG	Executive Director, Hong Kong Housing Society
Mr K L WONG	Director (Property Management Division), Hong Kong Housing Society
Ms YU Chun	General Manager (Property Management Division), Hong Kong Housing Society
Ms LOW Looi-looi	Senior Research Scientist, Health, Welfare and Food Bureau

} In Attendance  
for Agenda  
Item 3

Mr HUEN Chi-wai, Freeman	Assistant Secretary for Health, Welfare and Food
Mr WONG Chor-fung, David	Assistant Secretary for Health, Welfare and Food
Mr LAW Hok-yin, Anson	Assistant Secretary for Health, Welfare and Food
Ms Rosaline WONG	Chief Executive Officer, Health, Welfare and Food Bureau
Ms POON Ming-soo, Bonita	Executive Officer, Health, Welfare and Food Bureau

**Absent with Apologies:**

Prof Iris CHI, BBS, JP  
Mr CHAN Iu-seng, Star, BBS  
Secretary for Education and Manpower  
Chief Executive, Hospital Authority

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The Chairman welcomed everyone to the meeting and wished them all a happy Chinese New Year.

**Agenda Item 1: Confirmation of the Minutes of the 40<sup>th</sup> Meeting**

2. The minutes of the last meeting were endorsed without amendments.

**Agenda Item 2: Matters Arising**

3. There were no outstanding matters arising from the 40<sup>th</sup> Meeting.

**Agenda Item 3: Briefing by the Hong Kong Housing Society on the Proposed Building Management and Maintenance Scheme (BMMS)**

4. Ms WONG Lai-chun, Executive Director of the Hong Kong Housing Society (HKHS), briefed Members on the Memorandum of Understanding signed between HKHS and the Housing, Planning and Lands Bureau in early February on the introduction of a \$3 billion Building Management and Maintenance Scheme (BMMS), which would span over 10 years through partnership between the two parties. Under the BMMS, technical and resource support would be provided to owners of private properties in Hong Kong to improve the management and maintenance of private buildings. Ms WONG pointed out that BMMS was a building management programme in general rather than a programme specifically designed for the elderly. However, many of the owners of old buildings were elderly and the HKHS had come into contact with many of them in their daily work. She hoped that Members would give HKHS suggestions on how to make use of the BMMS to serve the elderly so that it would be a win-win situation to both parties.

5. Mr. K L WONG, Director (Property Management Division), HKHS, briefed Members on the corporate structure of HKHS and details of the BMMS through a PowerPoint presentation.

6. Members thanked HKHS for its long-standing support and efforts to dovetail with Government's elderly policies, and welcomed the introduction of the BMMS. Members made/ put forward the following comments/views:

**Nature of the BMMS**

- (1) While the BMMS was not exclusively for the elderly, it was closely related to the work of the Elderly Commission (EC), which was to look at issues

relating to the elderly including the soon-to-be-olds. Apart from that, the objective of the BMMS to promote awareness of building management and maintenance was in line with the objectives of “ageing in place” and creating a comfortable living environment for the elderly which EC had been promoting.

### Owners’ Corporations

- (2) HKHS should explore ways to render assistance to tenants who lived in dilapidated buildings and could not locate the owners, and to elderly owners who had difficulties in forming Owners’ Corporations (OCs).
- (3) Many owners were reluctant to serve on OCs, as the formation of OCs involved complicated procedures and many owners considered it onerous and unrewarding to run OCs. Therefore, it might not be viable to tackle the maintenance problems of buildings through the formation of OCs. HKHS should, as a non-profit making organisation, take over the direct management and maintenance of buildings participating in the BMMS.
- (4) To maximize the impact of the BMMS, HKHS should consider requesting beneficiaries of the BMMS to play their part by establishing OCs or through any other means. This would help educate beneficiaries that while enjoying their rights, they should assume personal as well as social responsibilities.
- (5) For buildings located close to each other within a street and had participated in the BMMS, whether HKHS would consider forming a building management company to take up the management and maintenance of the buildings in the long run.

### Collaborating Parties

- (6) To make BMMS a success, HKHS should solicit the assistance of community leaders, social workers or other intermediary organisations to help owners set up OCs.
- (7) HKHS might consider joining hands with other professional bodies or community organizations to make the BMMS more effective. For example, the Hong Kong Institute of Surveyors could be invited to educate the public on what constituted a structurally sound building and the types of buildings that required maintenance.
- (8) Through the Hospital Authority (HA), HKHS might obtain information on elders whose accommodation had been assessed by occupational therapists as requiring renovation. HKHS could take the initiative to contact these elders and render them assistance.
- (9) The success of the BMMS hinged on the effective coordination among different government departments. For example, if the Inland Revenue Department considered the loan as a value-added item rather than an expenditure item and did not grant tax exemption to the owners, this might defeat the purpose of promoting awareness of building maintenance.

### Loan and Repayment

- (10) Would HKHS provide subsidy to elderly owners who had difficulties in repaying the loan?

- (11) Whether HKHS would prioritise the granting of the loan on the basis of the age of the buildings or a first-come-first-served basis? The conditions of some relatively new buildings might be worse than some older buildings due to lack of maintenance. Therefore, efficient allocation of resources to meet the actual needs was of paramount importance.
- (12) HKHS had put a cap on its subsidy at \$3,000 or 10% of the cost of the safety and environmental hygiene works in the common areas of the buildings. How would HKHS assist those owners who could not afford the remaining 90% of the maintenance cost?
- (13) While noting that HKHS would grant them a 10% subsidy and allow them to settle the outstanding balance of 90% of the maintenance cost only upon transfer of ownership, many elderly owners would still be reluctant to apply for subsidy for fear that they would not be able to repay the loan.
- (14) Most elderly owners did not accept the imposition of a charging order. Such an arrangement would affect public response to BMMS.

Others

- (15) How many applications had been received since the introduction of the BMMS?

7. HKHS responded as follows:

- (1) Under the laws of Hong Kong, if a building did not have an OC, it would be difficult for any party to carry out maintenance works in the common areas

of the building. This was because if there was no OC, there would not be a legal entity to take care of the matter. Also, the Deeds of Mutual Covenant did not confer the HKHS with the authority to carry out maintenance works in the common areas of a building. Therefore, HKHS had to assist the owners to form an OC by means of incentives and subsidies, and then render the OC with the necessary support to maintain the common areas. HKHS would monitor the progress of BMMS, and recommend the Government to make legislative amendments if necessary.

- (2) For the elderly owners of dilapidated buildings who were unable to form OCs, HKHS would approach them through social workers from social welfare organisations and provide interest-free loan to them to repair items related to environmental-hygiene and safety in their flats. Also, HKHS would pay visits to the other flats within the same building and ask social workers to persuade and assist the owners to set up an OC.
- (3) It would not be difficult for owners of old buildings to form OCs if there were not too many co-owners in the buildings. HKHS would work with social workers to brief owners clearly on the procedures, as well as the pros and cons of forming OCs. It would also provide owners with the necessary assistance and subsidies in the process, and address their worries as far as possible.
- (4) Since its introduction, the BMMS had received over 400 enquiries and 7 applications. Out of these applications, 3 were related to the formation of OCs, 3 on maintenance in the common areas of buildings and one on a loan to carry out indoor maintenance. As a non-governmental body, HKHS



would enhance owners' awareness of building management and maintenance through sharing with them some successful cases. To assist buildings with difficulties in forming OCs, HKHS would seek outside support where appropriate, such as soliciting the assistance of District Councillors or District Offices.

- (5) For the time being, it was not necessary for HKHS to prioritise the applications since there were not too many applications received. Upon receiving an application, apart from examining the age of the building and other factors, HKHS would commission a surveyor to conduct a site inspection on the property to determine its repair needs. For instance, HKHS commenced an outreaching property management exercise in Shamshuipo last year and visited over 1 000 flats which HKHS considered requiring assistance. The same exercise would be carried out in another five districts this year. HKHS had also set up an internal review committee to determine the priority of those properties not eligible for loan but are in urgent need of repairs. HKHS would review the eligibility requirements and types of buildings eligible under the BMMS and make necessary adjustments when necessary.
- (6) Owners have a duty to maintain their own buildings. The role of HKHS was to provide assistance and encourage owners to repair dilapidated buildings. If owners could not foot the bill for the remaining 90% of the maintenance fees, they could apply for the Buildings Department's "Building Safety Loan Scheme" or the Urban Renewal Authority's "Building Rehabilitation Loan Scheme". Buildings Department might grant interest-free loans to those in need subject to their financial position. Under the

HKHS's Home Renovation Loan Scheme, when loans are granted to elderly owners with financial difficulties, HKHS would impose a Charging Order on the property and recover the outstanding loan only upon the transfer of ownership of the property.

- (7) HKHS would work with local organisations and stakeholders to encourage owners to set up OCs. The setting up of building management companies to take over the management of more than one building was a complicated issue, involving legal and ownership aspects. HKHS would have to gather more data from running the BMMS for a period of time before considering its feasibility.
- (8) HKHS had been maintaining a close working relationship with professional institutions representing the architects, surveyors and engineers. Moreover, apart from briefing the District Councils on the BMMS, HKHS had also participated in the "Co-ordinated Maintenance of Buildings Scheme" of the Buildings Department. Upon the issue of building safety warnings from any of the seven government departments, the Buildings Department would refer the owners in question to HKHS. HKHS would take the initiative to visit owners who had received maintenance orders. Also, it stood ready to lend assistance to the owners upon request.
- (9) Apart from disseminating building safety information through the media to property owners, HKHS would also showcase to them with successful examples that building maintenance and management was not a difficult task. HKHS considered that in the long run it might be necessary to enact legislation to fully resolve the problems of dilapidated buildings.

**Agenda Item 4: Research by Central Policy Unit Expert Panel on Financial Security in Old Age**

(Information Paper No. EC/I/01-05)

8. The Chairman reported to Members that the Expert Panel on Financial Security in Old Age set up by the Central Policy Unit (CPU) had earlier on briefed him and two Members of the Commission on its work. The Secretariat subsequently compiled an information paper based on information provided by the Expert Panel and distributed it to Members. Upon receipt of the initial research findings by the Expert Panel, the Secretariat would invite members of the panel to the meeting. The Chairman said Members could raise any questions concerning the information paper as Prof Alfred CHAN Cheung-ming, who was a member of both the Commission and the Expert Panel and Ms Salina YAN, Deputy Secretary for Health, Welfare and Food might have the answers.

9. Ms YAN said that the CPU's experts, the Health, Welfare and Food Bureau and the Financial Services and the Treasury Bureau served on the Expert Panel as observers to provide input from their respective policy areas. The Expert Panel was making preparations for the research, including the tender arrangement for a consultancy on the research work.

10. Members put forward the following questions/comments:

- (1) Whether the retirement plan as mentioned in the information paper covers the retirement protection scheme.
- (2) Would the scope of the "three pillars" research involve review of the Comprehensive Social Security Assistance Scheme?

- (3) The research questionnaires should not be too subjective neglecting objective facts and data.
- (4) The research projects should make reference to overseas models and assess the public acceptance for certain models to make it more forward-looking and to give directions.
- (5) The topic of “willingness to pay” could be included in the research projects.
- (6) It had been rumoured that the Mainland would remove one of the pillars of retirement protection as recommended by the World Bank. Members would like to know more about this.
- (7) Due to difficulties in making accurate projection of the medical costs of the elderly, the limited fiscal reserves and the varied degrees of effectiveness of personal saving plans, the three-pillar approach for old age financial protection alone might not be adequate. It is therefore necessary to draw on the experience of other countries and identify the fourth or more pillars.
- (8) It was recommended that the Government should consider modifying the Mandatory Provident Fund Scheme by offering an option of annuity instead of the present practice of allowing elders to draw out their accrued benefits in a lump sum.

11. Prof Alfred CHAN and Ms Salina YAN responded as follows:

- (1) The Expert Panel kept an open mind on the topics to be included in the research. Although the research would not go as far as a full review of the

Comprehensive Social Security Assistance Scheme, it would examine the sustainability of the existing social security system in the face of an ageing population.

- (2) The Panel would focus its study on post-retirement financial protection and would not focus on long-term care financing needs, leaving the latter to HWFB to study.
- (3) “Willingness to pay” had been included as a part of the tender schedule for carrying out the research on financial security. CPU would also ask the successful bidder to incorporate overseas experience in the research.
- (4) The Ministry of Labour and Social Security of the Mainland had recently released the *White Paper on China’s Social Security and Its Policy*. The Secretariat would circulate it for Members’ information in due course.

(Action: HWFB)

12. Dr York CHOW, Secretary for Health, Welfare and Food added that the Bureau would conduct a strategic study on health care financing next year, with an information paper scheduled to be produced for public consultation by the end of 2005. The Health and Medical Development Advisory Committee was expected to complete the study by the end of 2005. The Bureau would take stock of the issue when more information and the report were available. In view of the complicated nature of financial security in old age, Members were advised to make reference to CPU’s data on community resources and future needs before grouping the above issues for further examinations and discussions under various frameworks, in order to work out long-term solutions.

13. The Chairman proposed that Professor CHAN and Ms YAN be invited again to report to the Meeting upon the availability of the outcome of the CPU's research.

[Dr York CHOW, Secretary for Health, Welfare and Food left the meeting at this juncture.]

#### **Agenda Item 5: Briefing on “The 2005 Policy Address – Policy Agenda”**

14. The Secretariat had earlier on distributed to Members the 2005 Policy Agenda and a paper entitled “Policy Initiatives for Health, Welfare and Food Bureau (HWFB) for 2005”. The latter had been submitted to the LegCo Panel on Welfare Services. Ms Salina YAN briefed Members on the initiatives on elderly services as set out in the Policy Agenda, which included long-term care services and social security.

[Mrs Peggy LAM left the meeting at this juncture.]

#### **Agenda Item 6: Any Other Business**

15. A Member pointed out that the Practising Estate Doctors Association (the Association) had lodged a complaint to the Housing Department (HD), querying the safety of the health care services provided to the elderly by non-government organisations (NGOs) at elderly centres in public housing estates, including health checks and vaccinations against influenza. He said that the matter was subsequently resolved following co-ordination among HWFB, the Department of Health (DH) and SWD, the Association and HD. The incident demonstrated that there was room for collaboration and partnership among the various stakeholders.

16. Members made the following responses/comments:

- (1) Guidelines on providing health care services should be provided to NGOs. Means to forge a closer working relationship between private doctors and social service organizations should be explored in the long run.
- (2) A Member learned that some NGOs had set up nurse clinics in Tuen Mun, where community nurses and private doctors worked together to provide integrated health services for residents in the housing estates. It was also noted that HA had co-ordinated with the service agencies in other districts with a view to extending their services to the community and cooperating with private doctors and NGOs in the community.
- (3) There was no guarantee that hidden diseases could be identified readily through usual health examinations. Professionals conducting the examinations should be equipped with the necessary professional knowledge and ethics. They should explain to their clients the effectiveness and limitations of such examinations, whereas clients should understand the actual purpose of the examination.
- (4) In recent years, there had been an increasing awareness on preventing influenza among the elderly. Many District Council members and NGO operators had arranged free or affordable vaccinations to the elderly in their respective districts. Overall speaking, the elderly and the community had benefited from an increase in the number of non-profit making health checks and free influenza vaccinations. HD should strike a balance in addressing the needs of relevant parties.

- (5) Parties concerned should take the opportunity of this incident to seek greater collaboration between estate doctors and NGOs serving in public housing estates, to provide the public with advisory services or price concessions.

17. Mr LAU Kai-hung, Deputy Director of Housing, added that a consensus had been reached among all parties over the matter with the help of DH and SWD. In considering future applications from relevant organisations to hold health-related activities in public housing estates, HD would remind the applicants of their liabilities. HD would also approach estate doctors and encourage them to collaborate with NGOs particularly in terms of the service charge and means of promotion for the benefit of elders. Apart from making clarification to those affected NGOs in Aberdeen, HD would also brief them and other NGOs on the latest development in due course, and continue to liaise with the Association. HD would give an account of the follow-up actions to be taken to Members at the next meeting.

(Action: HD)

18. Dr CHAN Wai-man, Assistant Director of Health, pointed out that DH had been calling on NGOs to focus not only on “downstream” services such as health checks when providing health services to the elderly, but they should also strengthen the provision of “upstream” services and remind elders of high-risk behaviours, with a view to improving their life-styles, such as quitting smoking and doing more exercises. She said that providing health checks to elders had been a long-standing practice for many organisations. However, elders would be at risk if these health checks were not performed under the supervision of qualified healthcare personnel. DH would in consultation with relevant government departments arrange briefings for elderly centres on the matter, and submit an information paper for Members’ reference at the next meeting.



(Action: DH)

[Mr Peter WONG left the meeting at this juncture.]

19. Dr CHAN added that DH had been encouraging doctors, in particular private doctors, to enhance themselves on elderly care. The Hong Kong Medical Association was currently running a certificate course on elderly care to help private doctors familiarize themselves with the physical and mental health problems of elders and to encourage them to provide holistic health care for elders through collaboration with other sectors.

20. Mrs Kathy NG, Assistant Director of Social Welfare, said that subsequent to the meetings among SWD, HWFB, DH, HD and the Association, SWD would partner with relevant government departments involved to organise a briefing session for NGOs in March/April this year on vaccination and health checks. The stance of the relevant departments would also be explained to clear the doubts of the staff of the elderly service centres. Moreover, SWD would encourage NGOs to join hands with the private doctors in the community to provide more health related services for the elderly.

### **Date of Next Meeting**

21. The next EC meeting (42nd meeting) would be held at 2:30 p.m. on 23 May 2005 (Monday).

### **Time of Adjournment**

22. The meeting was adjourned at 4:40 p.m.

Health, Welfare and Food Bureau

24 March 2005