

## **THE HONG KONG HOUSING AUTHORITY**

### **Memorandum for the Subsidised Housing Committee**

#### **Public Rental Housing Allocation in 2002/03**

#### **PURPOSE**

To inform Members of the year-end position of public rental housing (PRH) allocation in 2002/03.

#### **BACKGROUND**

2. The former Rental Housing Committee (RHC) approved the allocation quota of 45 600 PRH units, including 600 quota under the Rent Allowance for Elderly Scheme (RAES), in 2002/03 to various rehousing categories on 27 May 2002 vide Paper No. [RHC 48/2002](#). A progress report was made on 30 October 2002 vide Paper No. [RHC 82/2002](#) to inform Members of the mid-year position. This paper reports to Members the year-end position.

#### **OVERALL RENTAL HOUSING ALLOCATION IN 2002/03**

3. Up to 31 March 2003, 46 946 PRH flats were allocated to various category users, against the original approved quota of 45 600 as shown in the [Annex](#). The additional 1 525 flats mainly came from the recovery of more vacated flats.

4. For the 46 946 flats accepted by various categories of applicants during the year, 94.2% were allocated to the three main category users viz. 66.6% to Waiting List (WL) applicants, 17.8% to existing PRH families rehoused through the overcrowding relief and transfer exercises and 9.8% to families affected by our redevelopment programmes. Families housed under Government clearance operations, junior civil servants and pensioners and compassionate rehousing took up the remaining 5.8%.

## **WAITING LIST APPLICATIONS**

5. The number of live applications on the WL increased from 86 359 in April 2002 to the present 91 921 as at end March 2003.

6. As in previous years, all the flats not consumed by the other rehousing categories during the year were allocated to WL applicants. As such, the actual number of flats allocated under WL could be greater than that previously set at the beginning of the year. Thus we housed 31 284 WL households during the year, exceeding the target of 26 600 by 17.6%. As at end March 2003, the average waiting time (AWT) for PRH dropped from 3.1 years (April 2002) to 2.3 years. For single elderly applicants, the AWT dropped from 1.3 years (April 2002) to one year, against our pledge of reducing it to 2 years by 2005. It should be noted that the reduced AWT is only at this point of time as the result of increased supply of rental flats transferred from the sale projects in the past years and from other rehousing categories.

## **COMPREHENSIVE REDEVELOPMENT PROGRAMMES (CRP)**

7. 4 578 flats were allocated to families under the CRP. The rehousing operations on three estates viz Tai Hang Tung, Upper Ngau Tau Kok and North Point were completed in the year. The slight under-consumption of quota was mainly due to some tenants having purchased subsidized housing, and the adjusted clearance date of Lower Ngau Tau Kok (1) Estate to June 2003 leaving some tenants not yet rehoused.

## **CLEARANCE**

8. Under this category, 223 households were rehoused. The under-consumption of the quota was the results of the Government's deferment of some development clearance projects, the clearerees' choice of subsidized home ownership and the rehousing of some households through the Anticipatory Housing Scheme.

9. By way of a Memorandum of Understanding, we have committed to set aside a quota of 1 000 flats annually to the Urban Renewal Authority (URA) to assist its rehousing operations. Of the 230 vacant flats reserved with rent payable by URA, 31 were taken up by its affected clearerees and the under-consumption was mainly due to URA's commencement of the allocation of flats to its clearerees only in November 2002.

## **OVERCROWDING RELIEF AND TRANSFER EXERCISES**

10. Two Territory-wide Overcrowding Relief Exercises were launched in 2002/03 with 5 017 flats of different localities made available for selection by eligible overcrowding households. Only 3 430 applications were received and eventually, 1 701 families took up the flats they selected during the exercises.

11. As at end of March 2003, the total number of overcrowded households (including those living in CRP Estates) has been reduced from 11 376 in April 2002 to 8 500 (1.4% of a total of 600 930 PRH households) in March 2003. The target of reducing the percentage of overcrowded families in PRH estates to below 2% by 2002/03 was met.

12. In 2002/03, we conducted ten transfer exercises, offering a total of 4 645 flats mostly from Home Ownership Scheme /Private Sector Participation Scheme transferred projects. 2 339 households were rehoused with 913 applicants provisionally accepted offers at Grandeur Terrace. These transfer exercises helped letting the large flats in transferred projects and in some old estates, thus releasing more vacated flats suitable for allocation to small-sized families. As a result, a total of 8 376 flats were allocated under overcrowding relief and transfer compared with 8 000 flats set in the quota.

## **OTHER CATEGORY USERS**

13. For the year 2002/03, the total number of cases referred by the Social Welfare Department for compassionate rehousing was 1 900. By end March 2003, 1 695 flats were taken up consuming 84.8% of the approved quota of 2 000.

14. Under the Civil Servant and Pensioners quota, 673 flats representing 44.9% of the quota of 1 500 were allocated to the applicants. In addition, there were 309 flats under offer.

## **VACANCY RATE**

15. Members have earlier been informed of the vacancy rate of 1.6% in PRH stock in the mid-year progress report ending September 2002. As a result of our intensive efforts in letting the unpopular flats and continuous launching of various transfer exercises, the vacancy rate has been reduced to 1.04% (or 6 489 out of 624 134 flats) as at 31 March 2003.

## **PUBLICITY AND PUBLIC REACTION**

16. The results of the rental housing allocation for 2002/03 with a significant reduction in the AWT and number of overcrowded PRH households should be positive messages to the public. We shall emphasize that WL applicants and overcrowded families in PRH estates will continue to have a good chance of getting their living environment improved in the coming years.

## **INFORMATION**

17. This paper is issued for Members' information. Members' approval on the quota of public rental housing allocation for 2003/04 will be sought in a separate paper.

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**RENTAL FLATS ALLOCATION FOR THE YEAR 2002/2003  
FOR THE PERIOD OF 1.4.2002 - 31.3.2003**

Rehousing Category	Approved Quota in 2002/03 (a)	Flats Allocated			Total	%
		New (b)	Vacated (c)	(d) = (b) + (c)		
1. CLEARANCE						
(a) Squatter Clearance	500	141	82	223		(0.5%)
(b) Urban Renewal Authority	1,000	31	0	31		(0.1%)
(c) Interim Housing Trawling	200	10	6	16		(0.0%)
2. COMPREHENSIVE REDEVELOPMENT & MAJOR REPAIRS	5,600	4,001	577	4,578		(9.8%)
3. WAITING LIST	26,600	14,725	16,142	31,284		(66.6%)
4. COMPASSIONATE	2,000	69	1,622	1,695		(3.6%)
5. TRANSFER	8,000	2,934	5,442	8,376		(17.8%)
a) Overcrowding Relief	4,500	1,259	576	1,835		(3.9%)
b) Transfers	3,500	1,675	4,866	6,541		(13.9%)
6. EMERGENCY	100	0	15	15		(0.0%)
7. CIVIL SERVANTS						
(a) Junior Civil Servants & Pensioners	1,500	31	642	673		(1.4%)
(b) Redemption of Letters of Assurance by Estate Assistants	100	6	49	55		(0.1%)
<b>Total</b>	<b>45,600</b> ^	<b>21,948</b>	<b>24,577</b>	<b>46,946</b> #		<b>(100%)</b>

^ - The quota for 2002/2003 was approved at the RHC meeting on 27.5.2002. It included 600 quota under the Rental Allowance for Elderly Scheme.

# - The total number of WL applications rehoused is 31,284 (30,867 + 417) including 417 applicants joining the Rent Allowance for Elderly Scheme

- The total number of Compassionate applications rehoused is 1,695 (1,691 + 4) including 4 applicants joining the Rent Allowance for Elderly Scheme.