

## **THE HONG KONG HOUSING AUTHORITY**

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

#### **Public Rental Housing Allocation for 2003/04**

#### **PURPOSE**

To seek Members' approval on the rental housing allocation for 2003/04.

#### **FLATS ALLOCATED IN 2002/03**

2. As an annual exercise, Members' approval is sought in setting the annual quota for public rental housing (PRH) allocation. A quota of 45 600 was approved by the then Rental Housing Committee in 2002/03 and a mid year progress report was made on 30 October 2002 vide Paper No. RHC 82/2002. Members are separately informed vide Paper No. SHC 8/2003 the year-end position for 2002/03 (as summarized in [Annex A](#)).

#### **SETTING OF THE QUOTA FOR 2003/04**

3. The setting of the quota at the beginning of a financial year enables the Department to plan its work and set a target for allocation to various user categories. The total supply of flat is however a projection based on the year's forecast new production as well as an estimation of recovery of vacated flats. The sources of the vacated flats available for allocation mainly come from the existing PRH stock in hand, through existing tenants' joining the Home Ownership Scheme (HOS)/Home Assistance Loan Scheme (HALS), tenants' voluntary surrender, and from tenants' transfer to other flats. As part of the supply is not immediately ready at the beginning of the year, but only available throughout the year, a difference between the quota set at the beginning of the year and the actual number of flats allocated at the end of the financial year is likely to exist due to unforeseen changes in the sources of the housing supply.

4. We estimate that there will be a total quota of 36 600 rental flats for allocation in 2003/04 including 18 300 new flats and an estimated recovery of 18 300 vacated flats. Details of the new projects anticipated for intake in 2003/04 are at [Annex B](#).

## **PROPOSED ALLOCATION FOR VARIOUS CATEGORIES IN 2003/04**

### **Clearance/Urban Renewal Authority Projects**

5. Owing to the relaxed rehousing eligibility criteria whereby clearerees affected by the Government's clearance projects with only two year residence at the structure are now qualified for rehousing, there will be a rising PRH demand from clearance and 1 100 flats are set aside for clearance of squatters and unauthorized rooftop structures. Same as last year, 1 000 flats will be set aside for the Urban Renewal Authority (URA)'s clearerees in line with the Memorandum of Understanding. 200 flats for trawling vacancies in Interim Housing will also be set aside to meet specific needs. The overall requirement for the above purposes in 2003/04 is 2 300 flats.

### **Redevelopment and Major Repairs**

6. Under the Comprehensive Redevelopment Programme for 2003/04, 1 750 flats will be required mainly for rehousing of the remaining families in Lower Ngau Tau Kok (1) Estate due for clearance in June 2003, and pre-redevelopment thinning-out of Shek Kip Mei and Wong Chuk Hang Estates. Together with 50 flats for tenants affected by major repair works, the total requirement is 1 800 flats. Compared to last year, there is a decrease of 3 800 flats under this category.

### **Waiting List**

7. For the year 2003/04, we propose to provide 21 800 flats. Although there is a decrease of 4 200 flats or 16.2% for the Waiting List (WL) as compared to last year's quota, the proposed quota still represents 60% of the year's total provision.

8. In fact, as in previous years, the WL will absorb all the available flats surplus to requirements by other rehousing categories so that by the end of the year, the total number of flats allocated to the WL will be higher than that forecast.

### **Compassionate Rehousing**

9. Similar to previous years, 2 000 flats will be set aside for this category. Additional flats will be made available to meet the actual demand arising from cases referred to us by the Social Welfare Department.

### **Overcrowding Relief/Transfers**

10. We propose to provide 4 000 flats for overcrowding relief of our PRH tenants and another 3 000 flats to meet their transfer needs, making up a total of 7 000 flats under Overcrowding Relief/Transfers. Compared to last year's quota of 8 000, there will be a decrease of 1 000 flats or 12.5% to reflect the drop in number of overcrowded families from 11 376 in April 2002 to 8 500 in March 2003.

### **Emergency**

11. We propose to continue to provide 100 flats under this category and more flats can be provided on a need basis.

### **Redemption of Letter of Assurance**

12. 100 flats will be provided for allocation to our Estate Assistants holding Letters of Assurance.<sup>Note</sup>

### **Junior Civil Servants and Pensioners**

13. To facilitate early planning for other government departments, it was approved last year vide Paper No. RHC 48/2002 that a total quota of 3 500 comprising 1 500 PRH flats, 450 HOS flats and 1 550 Home Purchase Loan Scheme (HPLS) loans would be provided in 2003/04. However, due to the revised policy in HOS sale, we propose to adjust the 450 flats for HOS to 250 and the 1 550 HPLS to 1 750 HALS. The total quota of 3 500 as agreed between the Department and the Civil Service Bureau will remain unchanged.

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Note

In order to utilize housing resources more effectively, Estate Assistants who are themselves prospective or sitting public housing tenants employed before 1 January 1991 are issued with Letters of Assurance to guarantee their future allocation of public housing if they give up their existing abodes to move into departmental quarters. Paper No. MOC 154/92 refers.

## PROPOSED ALLOCATION FOR 2003/04

14. The PRH allocation for 2003/04 is recommended as follows -

Rehousing Category	Approved Quota in 2002/03	Actual Flats Allocated in 2002/03	Proposed Quota for 2003/04	
				%
1. CLEARANCE				
(a) Squatter Clearance	500	223	1,100	3.0
(b) Urban Renewal Authority	1,000	31	1,000	2.7
(c) Interim Housing Trawling	200	16	200	0.5
2. COMPREHENSIVE REDEVELOPMENT & MAJOR REPAIRS	5,600	4,578	1,800	4.9
3. WAITING LIST	26,600	31,284	21,800 <sup>Note</sup>	60
4. COMPASSIONATE	2,000	1,695	2,000	5.4
5. TRANSFER	8,000	8,376	7,000	19.1
(a) Overcrowding Relief	4,500	1,835	4,000	
(b) Transfers	3,500	6,541	3,000	
6. EMERGENCY	100	15	100	0.2
7. CIVIL SERVANTS				
(a) Junior Civil Servants & Pensioners	1,500	673	1,500	4.0
(b) Redemption of Letters of Assurance by Estate Assistants	100	55	100	0.2
<b>Total</b>	<b>45,600</b>	<b>46,946</b>	<b>36,600</b>	<b>100</b>

Note: Excluding the setting of quota for the Rent Allowance for Elderly Scheme which will be the subject of a separate Subsidised Housing Committee paper.

## **PUBLICITY AND PUBLIC REACTION**

15. We would emphasize that the overall quota allocation is set having regard to anticipated supply and demand for the coming year, and that the average waiting time for WL applicants will be maintained at three years as pledged.

## **DECLASSIFICATION OF PAPER**

16. We propose that this paper be declassified after the approval of the recommendation by Members set out in paragraph 14 above. The paper will be made available to the public at the Housing Authority homepage, the Department's Library and through the Department Access to Information Officer if it is declassified.

## **DISCUSSION**

17. At the meeting of the Subsidised Housing Committee to be held on 29 May 2003, Members will be invited to approve -

- (a) allocation of public rental flats for various categories for 2003/04 (paragraph 14); and
- (b) declassification of the paper (paragraph 16).

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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 (d) = (b) + (c)	%
		New (b)	Vacated (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 Rent 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.

## Annex B

### Supply of New Flats for Rental Housing Allocation in 2003/04 (Based on Public Housing Development Programme of 03/2003)

#### New production from 4/2003 to 1/2004<sup>@</sup>

##### Projects

Aldrich Bay NCC Ph. 4 Block. 5	414
Tsz On Ph. 3, Blk. 1	265
Shek Lei NCC Ph. 12 Blk. 6 (SL2)	360
Tsing Yi Area 10 Ph. 2 Blks. 5-7 (Cheung Wang)	1917
Tsing Yi Area 10 Ph. 2 Blk. 4 (Cheung Wang)	759
TKO Area 73A Ph. 1 Blk. 1 (Kin Ming)	799
TKO Area 73A Ph. 1 Blk. 1A (Kin Ming)	385
TKO Area 73A Ph. 3 Blk. A (Kin Ming)	763
TKO Area 73A Ph. 3 Blk. B (Kin Ming)	763
TKO Area 73A Ph. 4 Blk. C (Kin Ming)	763
TKO Area 73A Ph. 4 Blk. D (Kin Ming)	763
TKO Area 73A Ph. 4 Blk. E (Kin Ming)	799
TKO Area 73A Ph. 4 Blk. F (Kin Ming)	385
Tung Chung Area 31 Ph. 3 Blk. 17	400
Tung Chung Area 31 Ph. 3 Blk. 18	400
Tung Chung Area 31 Ph. 3 Blk. 19	400

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**sub-total** **10335**

#### **Projects slipped from 2002/03 production**

Easeful Court **510**

**New flats carried over from 2002/03** **7465**

**Total** **18 310**

Notes @ Period of supply of new production runs from 4/2003 to 1/2004