

For discussion on  
5 January 2004

## **Legislative Council Panel on Housing**

### **Progress of the Hong Kong Housing Society's Senior Citizen Residences Scheme**

#### **Purpose**

This paper informs Members of the progress of the Senior Citizen Residences (SEN) Scheme undertaken by the Hong Kong Housing Society (HKHS).

#### **Background**

2. The SEN Scheme was a housing initiative undertaken in the 1997 Policy Address. The Scheme aims to provide an additional housing option for elderly in the middle-income group who are healthy and able to look after themselves, and have the means to live an independent lifestyle in purpose-built accommodation with integrated care and supportive services which they can afford. The Scheme is to be operated on self-financing and user-pays principles. It seeks to fill a market niche for elderly in the middle-income group who may not prefer subsidized institutional care and attention homes or elderly homes, and yet may not be able to afford in the long run the considerable costs of quality private elderly homes. The Scheme therefore relieves the demand on subsidized health and elderly care services.

3. Two lots (one in Tseung Kwan O and the other in Jordan Valley) were granted to HKHS for implementing the SEN Scheme to provide a total of 576 units. The units are purpose-built to meet the needs of elderly persons. For instance, rooms and common corridors are without door slabs to facilitate wheelchair movements, and the units are fitted with non-slip tiles, emergency alarms, sprinklers, hand-rails and heater lamps.

4. To provide security of tenure, the units in the two projects are to be leased to eligible elderly persons for life, or until they terminate their tenancies on their own initiatives. Upon joining the Scheme, they will pay an entry contribution (tantamount to pre-paid rent), the amount of which varies with the age of the tenants and can be paid in a lump sum or in stages. Management and basic health care fees are payable on a monthly basis.

5. Two experienced social welfare agencies have been entrusted to manage the projects, The Haven of Hope Christian Service for the project in Tsuen Kwan O and Sheng Kung Wui Welfare Council for Jordan Valley. In addition to day-to-day building management, the two agencies will organize social and recreational activities for tenants to meet their varied needs. The two agencies will station nursing staff on site to attend to tenants' urgent medical needs.

6. The purpose-built facilities and the leasing arrangements adopted amplify the "ageing-in-place" concept based on which the SEN Scheme is designed and operated.

7. A summary of the basic eligibility criteria for joining the SEN Scheme and the scale of entry contributions is in Annex A.

8. The Panel on Housing was briefed on the operational framework for the SEN Scheme on 18 July 2001. An information note on the eligibility criteria was issued to Members on 13 August 2003. The Elderly Commission has also been briefed on the Scheme.

## **The Projects**

9. The project at Tseung Kwan O, named Jolly Place, provides 243 units, comprising 162 one-bedroom units and 81 studio units. Recreational facilities such as a hydro-pool, a gymnasium, a care-and-attention home, a reading room and a rehabilitation and care centre are provided in the project.

10. The project at Jordan Valley will provide 333 units in total, consisting of 254 one-bedroom units and 79 studio units. Other facilities

will include a multi-purpose hall, a library, an indoor swimming pool, activity rooms and a pottery room.

### **Present Position**

11. HKHS invited applications for Jolly Place on 15 August 2003. A total of 757 applications were received. Applicants were then vetted in accordance with the eligibility criteria, and priorities for flat selection were assigned by ballot. HKHS recognizes that the way of life in the SEN Scheme is new to many applicants, and accordingly eligible applicants were invited to visit the project and were briefed on the operational framework of the SEN Scheme before they took a decision as to whether to lease a unit. As at 15 December 2003, 194 units have been taken up. Applications and flat selection are continuing.

12. HKHS has analyzed the profile of the eligible applicants. A summary of the major findings is set out in Annex B.

13. The project in Jordan Valley is expected to be completed and launched around mid-2004.

Hong Kong Housing Society  
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### Summary of Basic Eligibility Criteria for SEN Scheme

	Eligibility criteria			
1	Age	60 or above		
2	Residency requirement	<i>Singletons</i> : Hong Kong permanent residents <i>Doubletons</i> : for unrelated couples, both must be Hong Kong permanent residents. For couples, one must be a Hong Kong permanent resident.		
3	Affordability test (assets before paying entry contribution)		Aged 60 to 69	Aged 70 or above
		Singletons	\$1.5 million to \$3.3 million	\$1.0 million to \$3.3 million
		Doubletons	\$2.25 million to \$4.95 million	\$1.5 million to \$4.95 million
4	Public housing benefits	Persons enjoying public housing benefits by virtue of their elderly status are not eligible. Persons enjoying such benefits not by virtue of their elderly status can apply but have to surrender their benefits after taking up a unit.		

### Scale of Average Entry Contribution

<b>Age</b>	<b>Lump sum payment (in \$ million)</b>	<b>Stage payment (in \$ million) (Note)</b>
60 – 64	0.32 – 0.49	0.36 – 0.54
65 – 69	0.29 – 0.44	0.32 – 0.49
70 – 74	0.28 – 0.41	0.31 – 0.46
75 or above	0.26 – 0.39	0.29 – 0.43

Note: Under the stage payment method, tenants have to pay 40% of the entry contribution on taking up the units, 30% at the 12th month, and 30% at the 24th month.

## Analysis of Profile of Eligible Applicants for Jolly Place Summary of Major Findings

### I Overall

Applications received	757
Eligible applicants	266 households, comprising 337 persons
Units taken up (as at 15 December 2003)	194, comprising 245 persons

### II Applicants' mix

1	Household size	Singleton	195 (73%)
		Doubleton	71 (27%)
		<b>Total</b>	<b>266</b>
2	Sex	Male	116 (34%)
		Female	221 (66%)
		<b>Total</b>	<b>337</b>
3	Age	60 - 69	130 (39%)
		≥ 70	207 (61%)
		<b>Total</b>	<b>337</b>

### III Financial Background

1	Monthly income	No income	205 (77%)
		\$1 to \$12,500	41 (15%)
		\$12,501 to \$25,000	10 (4%)
		\$25,001 and above	10 (4%)
		<b>Total</b>	<b>266</b>
2	Assets	< \$1.0 million	70 (26%)
		\$1.0 - \$3.5 million	169 (64%)
		\$3.5 - \$4.95 million	27 (10%)
		<b>Total</b>	<b>266</b>