APPENDIX 10

香港房屋委員會 Hong Kong Housing Authority

本函檔號: L/M in HD 3-8/EM3/435/1 Our Ref 來函檔案: CB4/PAC/CS (30, 60A & 61) Your Ref 圖文傳真: (852) 2715 0793 Fax 電話號碼: (852) 2761 5500 Tel 日期: 23 January 2015 Date

Clerk Public Accounts Committee Legislative Council Legislative Council Complex 1 Legislative Council Road Central HONG KONG (Attn.: Mr. Anthony CHU)

Dear Mr. CHU,

Follow-up to Public Accounts Committee Report No.61 Allocation and utilization of Public Rental Housing Flats

With reference to your letter dated 9 January 2014 addressed to Secretary for Transport and Housing on the subject issue, I set out the Administration's bilingual response at the **Annex** for your reference, please.

Yours sincerely,

(LEUNG Sai-chi) for Secretary for Transport and Housing

Encl.

 c.c. Secretary for Transport and Housing Secretary for Financial Services and the Treasury (Fax No. 2147 5239) Director of Audit (Fax No. 2583 9063)

(a) The latest figures on the number of unoccupied flats and unoccupied flats that have been vacant for more than one year;

Unoccupied public rental housing (PRH) flats are classified into flats which are 'under offer', 'unlettable' flats and 'lettable vacant' flats. The number of these flats changes frequently according to the allocation progress, any figures provided are only snapshot figures indicating the situation at a given point of time. As at end December 2014, there were 2,431 flats which were 'under offer', 2,920 were 'unlettable' flats; and 2,829 were 'lettable vacant' flats. Amongst them, 182 'lettable vacant' flats and 2,371 'unlettable' flats have been vacant for more than one year.

(b) action taken by the Administration to speed up the letting of unoccupied flats, in particular those long vacant flats that have been vacant for more than one year;

The Administration has taken the following measures to speed up the letting of lettable vacant flats -

- Half rent reduction of 8 to 12 months will be offered as an incentive to boost up acceptance rates for flats fallen vacant for more than 12 months;
- (2) Less popular flats including prolonged vacant flats; flats with adverse Environmental Indicators; flats of less popular design (Housing for Senior Citizens and Interim Housing converted flats) and flats in estates with high refusal rates will be included in Express Flat Allocation Scheme (EFAS) exercises to speed up letting. For those flats which have been offered to the applicants but are subsequently refused by them and if such flats also meet the EFAS flat pooling criteria, when EFAS flat pooling is in progress, we will cease their re-letting and immediately include them into the pooling list.

(c) the reasons for the long vacancy period

Out of the 182 'lettable vacant' flats that have become vacant for more than one year, 86 flats (47.2%) were reserved under the Express Flat Allocation Scheme (EFAS) exercise. The whole EFAS exercise takes some 10 months to complete and flats reserved under the exercise will remain "vacant" until they are selected and accepted by the applicants concerned. 38 flats (20.9%) were reserved for government clearance projects while 8 flats (4.4%) were situated in the relatively remote Lung Tin Estate in Tai O. The remaining 50 flats (27.5%) were reserved for various rehousing categories and for operations of other government departments.

As for the 2,371 unlettable flats vacant over one year, 1,916 flats (80.8%) were Housing for Senior Citizens (HSC) Type I and Converted one-person (C1P) flats that still have other occupants, conversion work could only be conducted after the moving out of all remaining tenants. 317 flats (13.3%) were reserved by the Urban Renewal Authority, 132 flats (5.6%) were frozen from letting mainly due to estate clearance projects. The remaining 6 flats (0.3%) were undergoing conversion and major structural repairs that required longer conversion period.

(d) the measures taken to shorten the vacancy period.

In addition to the measures mentioned at (b) above, in view of the unsatisfactory vacancy rate of Tin Lee House, Lung Tin Estate in Tai O, the Housing Authority decided in February 2013 to convert Tin Lee House into Housing Ownership Scheme units for sale. Apart from a unit being retained for the management office and the office of the Owners Corporation, all the remaining 85 units were sold.

To better monitor the reletting of those unlettable flats, Housing Department (HD) has implemented the following measures:

(i) The interval for Chief Housing Manager/Applications of HD in

issuing memo to Regional Chief Managers for reviewing the position of unlettable flats has been shortened to 1.5-month.

- (ii) The progress of vacant flats refurbishment works is under the monitoring of Senior Works Professional and Works Professional in the Bi-monthly Contract Meeting and Weekly Meeting respectively. To further tighten the monitoring, cases involving long refurbishment period are reported and monitored in an internal committee chaired by Assistant Directors.
- (iii) Starting from mid 2013, HD has been arranging management transfer for all non-elderly tenants of HSC Type I flats to further expedite the flat recovery for conversion to PRH flats.
- (iv) System enhancement was completed in October 2013 to generate batch report for monitoring the conversion progress of HSC Type I and C1P flats.
- (v) For those elderly tenants who are less adapted to new environments living in HSC Type I and C1P units, HD will continue to adopt a pragmatic yet persistent manner in encouraging them to apply for transfer.