

(Translation)

香港特別行政區政府
The Government of the Hong Kong Special Administrative Region

運輸及房屋局

香港九龍何文田佛光街 33 號



Transport and Housing Bureau

33 Fat Kwong Street, Ho Man Tin,
Kowloon, Hong Kong

本局檔號 Our Ref. HD 4-2/PS 1/1-55/1/4 (2015) IX

來函檔號 Your Ref.

電話 Tel No. 2761 5049

圖文傳真 Fax No. 2761 7445

20 August 2015

Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong
(Attn: Ms Angel SHEK)

Dear Ms Shek,

Legislative Council Panel on Housing
Meeting on 6 July 2015

I enclose the supplementary information requested by Members at the meeting on 6 July 2015 on matters relating to the design of new public rental housing flats, refinancing of the Home Ownership Scheme flats with premium unpaid, as well as enforcement actions against subdivided units in industrial buildings and rehousing arrangements (**Annex**).

The supplementary information regarding the water tap design of new public rental housing flats will be provided later.

Yours sincerely,

(Jerry Cheung)
for Secretary for Transport and Housing

c.c.

Buildings Department

**Legislative Council Panel on Housing
meeting on 6 July 2015**

Supplementary Information

PURPOSE

This paper provides supplementary information requested by Members at the Panel meeting held on 6 July 2015 on matters relating to the design of new public rental housing (PRH) flats; refinancing of Home Ownership Scheme (HOS) flats with premium unpaid; as well as enforcement actions against subdivided units (SDUs) in industrial buildings and rehousing arrangements.

DETAILS

Matters relating to the design of new PRH flats

Design and fittings for new PRH flats

2. There were comments that tenants encountered difficulties when mounting fixtures on the hollow block walls. At present, every tenant is provided with a copy of the “Estate Profile” and “Decoration Handbook” (the Handbook) upon moving in. The Handbook covers matters requiring attention in the planning of decoration works, with a view to safeguarding the structural integrity of the building and safety during execution of the decoration works. Tenants can mount fixtures on partition walls in the manner as prescribed in the Handbook, and avoid nailing and drilling at specified locations of the walls.

3. As regards the suggestion for additional air-conditioner hoods to cater for partitioning, since 2011, the air-conditioning platform for the living area had been enlarged from 550mm (length) x 550mm (width) to 750mm (length) x 750mm (width) in order to allow flexibility in installing air-conditioner and in turn cater for tenants’ needs.

4. In response to feedbacks on the excessive noise generated by the usage of old collapsible flat entrance metal gates, the Hong Kong Housing Authority (HA) has formulated a 5-year programme commencing in 2015-16 to replace all the remaining old see-through collapsible metal gates in PRH estates built before 1990s.

Allocation of PRH flats and internal floor area per person

5. PRH flats are allocated mainly in accordance with the prescribed allocation standards and the Internal Floor Areas (IFA) of the flats. Except for cases with verified medical or social reasons which justify the request for extra space, the general principle for allocation is to allocate no less than 7m² IFA per person.

6. The above standard is also applicable to PRH tenants affected by redevelopment of PRH estates. In accordance with the current policy, we will reserve as far as practicable adequate number of newly completed flats in the same district or nearby districts to rehouse tenants affected by redevelopment of existing estates. Moreover, subject to availability of resources, we will allow affected tenants to relocate to vacant flats in other districts according to their choice.

Refinancing of HOS flats with premium unpaid

7. Currently, Housing Department (HD) examines the relevant land search records when processing applications for refinancing, premium assessment and transfer of ownership for HOS flats. In the past five years (i.e. 2010-11 to 2014-15), HD has checked more than 4 500 land search records on average each year. Should it be found in the search records that a loan or mortgage record has been registered in connection with a flat with premium unpaid, and that the loan or mortgage may involve mortgaging a HOS flat without the approval of the Director of Housing, prosecutors of HD will consider whether to institute prosecution in accordance with the Prosecution Code of the Department of Justice (DoJ). When considering these cases, prosecutors will look into the actual circumstances of each case, in particular, whether the loan document contains any contractual terms or wording involving mortgage that may constitute a contravention of the Housing Ordinance. With sufficient evidence to prove all offence elements, the prosecutors will institute prosecution against the suspected person under section 27A of the Housing Ordinance. In general, only loan agreements which involve charging the flats with premium unpaid as securities will invoke section 17B and contravene section 27A of the Housing Ordinance. Therefore, there is no hard and fast rule in determining whether a loan agreement signed between the owner of a HOS flat with premium unpaid and a finance company has contravened the Housing Ordinance. It is necessary to look into the actual circumstances of individual cases.

8. As stated in Annex 1 of LC Paper No. CB(1)1037/14-15(03), in the past five years (i.e. 2010-11 to 2014-15), a total of 27 persons who were suspected of creating mortgages on subsidised flats with premium unpaid without the prior approval of the Director of Housing were prosecuted for violation of section 27A of the Housing Ordinance. Amongst these cases, 11 persons were convicted, three persons were acquitted, and the charges against two persons were withdrawn. The remaining 11 cases are being processed. According to latest figures as at July 2015, nine more persons were convicted (i.e. a total of 20 persons were convicted), only two cases are still being processed.

9. For cases under investigation, HA will not publicise details of the cases or parties involved in order not to affect the legal proceedings or cause unfairness to involved parties. If any person is being charged under the Housing Ordinance, similar to other criminal cases, information on the name(s) of the defendants and the relevant offences would be shown on the daily case list published by the Judiciary and is available for public inspection. The Judiciary will also publish the Court's verdicts. For the above-mentioned convicted cases, HD had issued press releases to remind the public that it is an offence for anyone to carry out any unlawful mortgage on a subsidised flat with premium unpaid.

10. Under the Money Lenders Ordinance (MLO), a money lender's licence is valid for one year. A licensee has to apply for licence renewal every year and the application is subject to the approval of the Licensing Court. The Licensing Court, in determination of a renewal application for money lender licence, will consider whether the Registrar of Money Lenders (i.e. the Registrar of Companies) or the Commissioner of Police objects to the application. The Police will take into account all relevant factors, including the records of relevant complaints, in determining whether to object to the application.

Enforcement actions against subdivided units in industrial buildings and the rehousing arrangements

11. In the course of the Government's actions against illegal SDUs in Wing Fung Industrial Building, Nos. 40-50 Sha Tsui Road, Tsuen Wan, various departments have maintained communications with and rendered assistance to the affected households.

12. According to the information provided by the Buildings Department (BD), BD had issued statutory orders (i.e. removal orders) in 2012 to the proprietors of SDUs concerned requiring the removal of relevant unauthorised building works. From 26 September 2012 to 4 October 2012, BD had also registered affected households and assisted eligible households to apply for the one-off relocation subsidy applicable to industrial buildings under the Community Care Fund. Records show that seven eligible affected households had successfully applied for the relocation subsidy, and the relevant subsidy was released since late 2012. At the same time, BD, on multiple occasions, advised the affected households to move out of the SDUs concerned as soon as possible for their own and their families' safety.

13. Having prosecuted the proprietors concerned in 2014 for non-compliance with the removal orders, BD posted the Notices of Intention (NOI) of applying for closure orders at conspicuous locations of the above premises in November 2014. The affected households were thereby notified that BD would apply to the Court for closure orders on 17 March 2015. At the same time, BD staff had approached those households through site inspections, telephone calls, e-mails and letters to explain BD's enforcement action and relevant issues, including the danger of living in SDUs inside industrial buildings, procedures of BD's execution of closure orders, possible assistance available for affected households and arrangements for admission to Transit Centre, etc. Besides, BD's social service team (SST) had paid several home visits to the affected households at different time slots (including daytime, night time and weekends) to explain BD's enforcement action and to provide referrals and social welfare support for households in need, including applications for subsidies from other non-governmental organisations, hostel for single persons, Neighbourhood Support Child Care Project, etc. SST also encouraged those affected households to seek alternative accommodation.

14. BD also issued a press release on the enforcement action in January 2015 and distributed copies of the NOI to each affected household. In the evening of 11 March 2015, BD staff arranged a meeting at Wing Fung Industrial Building with affected households to explain the enforcement actions again. On 17 March 2015, the day of executing closure orders, noting that many of the SDUs concerned were still occupied, BD postponed the execution in view of the special circumstances so as to allow those affected households more time to pack their belongings and arrange for relocation. In addition, BD had met with Legislative Council Members and affected households on 18 and 20 March 2015 respectively to recapitulate the arrangements concerning the enforcement action.

15. On the day of executing closure orders on 29 April 2015 and the following day, BD set up an on-site booth for issuing re-entry permits to the affected households, so that they could return to their SDUs and pack their belongings. At the same time, staff manning the booth also assisted with verifying the identities of affected households to facilitate their admission into Po Tin Transit Centre as necessary. BD also provided the affected households with mobile phone numbers of relevant personnel for liaison and enquiry purposes. On the day of closure orders execution, SST also offered on-site assistance for the affected households, and accompanied them to the Po Tin Transit Centre. SST still maintains contact with the affected households and will visit the Transit Centre to follow up with those households with special needs.

16. BD, HD, the Social Welfare Department (SWD) and the Home Affairs Department had maintained close contact for offering appropriate assistance to the affected households. Households with pressing housing needs on medical or social grounds may consider applying for compassionate rehousing through SWD's recommendation. Furthermore, eligible PRH applicants may apply under the Express Flat Allocation Scheme for early allocation of PRH flats. In the course of the enforcement action in Wing Fung Industrial Building, SWD received a total of 14 applications for compassionate rehousing, all of which were found ineligible upon SWD's assessment.

**Transport and Housing Bureau
August 2015**