For discussion on 10th May 2016

Legislative Council Panel on Housing

Shek Lei Interim Housing

PURPOSE

This paper briefs Members of the situation of Shek Lei Interim Housing (SLIH).

BACKGROUND

- 2. SLIH is located at Blocks 10 and 11 of Shek Lei (II) Estate in Kwai Chung, comprising a total of about 1 900 units. The blocks were completed in 1960s and converted from public rental housing (PRH) to interim housing in late 1990s.
- 3. Under the prevailing Government policy, no person will be rendered homeless as a result of natural disasters or clearance operations. Any persons who are rendered homeless as a result of Government actions (such as clearance of unauthorised structures, eviction of unauthorised persons in PRH, Court Bailiff's execution of court orders to repossess private building units, etc.), natural disasters or emergencies, they may apply, through the referral of relevant departments such as Buildings Department, Lands Department, the Bailiff Section, etc., to the Housing Department (HD) for temporary accommodation in a transit centre (TC) while awaiting eligibility vetting for further rehousing or looking for alternative accommodation themselves. After these households are admitted to the TC, HD will obtain more details about their actual situation to ascertain whether they are genuinely homeless. If these households have stayed in the TC for three months, passed the "homeless test", proved that they have no alternative accommodation, and fulfilled the prescribed eligibility criteria for PRH, including income limit, asset limit and 'no domestic property' rule, HD will arrange for their admission to the IH while awaiting PRH through PRH application.
- 4. In view of old building age, increasing maintenance cost and high vacancy rates of IH, Audit Commission, in its Report No. 62 issued in 2014, recommended that the Hong Kong Housing Authority (HA) should study

measures to make better use of IH resources and explore ways of putting HA's vacant sites into beneficial uses. Legislative Council Public Accounts Committee (PAC) Report No. 62 also reiterated this recommendation. Subsequently, the Government in its reply to Report No. 62 of PAC mentioned that HA / HD would continue to closely monitor the supply and demand of IH, regularly review how to use IH more effectively and explore ways of putting HA's vacant sites into other beneficial uses.

PRESENT SITUATION

- 5. HD regularly reviews the supply and demand of IH and TC. After its reviews conducted in 2011 and 2013, HA decided to clear Long Bin IH in the New Territories (NT) in January 2016 and to retain Po Tin IH (PTIH) in the NT, which is of relatively younger building age, and SLIH in Extended Urban district. The overall supply of IH units has decreased by 840 units upon withholding the Long Bin IH from letting pending clearance.
- 6. PTIH was built in 2000, comprising about 3 200 units. Comparing to SLIH which has some 1 900 units, PTIH is of younger building age and provides more housing units. Since IH is used for temporary accommodation, its occupancy status changes over time subject to the number of referrals. As at end December 2015, the overall vacancy rate of IH was about 37% ¹, while the vacancy rate of SLIH was about 60%.
- 7. When exploring ways of putting IH resources into other beneficial uses effectively, HD considers the building age of SLIH as well as the feasibility of constructing more PRH units in Extended Urban district. Since the construction of PRH can address the housing needs of low-income households in the long term effectively, HD is studying to convert SLIH for PRH development and discussions with relevant departments are ongoing. Upon the availability of a suitable development proposal, HD will consult District Council timely and submit the proposal to HA for consideration and approval.
- 8. At present, there is no specific information regarding clearance date, implementation details and rehousing arrangements available from HA. As reference, according to the clearance and rehousing arrangements for Long Bin IH, HA will give a 24-month advance notice and Domestic Removal Allowance to the affected households. Affected single-person and two-person households may opt for Singleton Allowance or Doubleton Allowance in lieu of rehousing.

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Only PTIH and SLIH are included, Long Bin IH, which will be vacated in 2016 pending demolition is not included.

As for those affected households who have fulfilled PRH eligibility and wish to purchase Home Ownership (HOS) flats, they may apply to HA for Green Form Certificate, and purchase new HOS flats under Priority Green Form status in the HOS sales exercise subject to approval of the relevant sales arrangement of the new HOS by Subsidised Housing Committee (SHC) of HA, or to purchase HOS flats without the need to pay premium in HOS Secondary Market. Before formal announcement of the clearance, HA will submit the clearance arrangement proposal to the SHC for consideration in accordance with the established procedures. Should the proposal be endorsed, HA will give reasonable advance notice to the affected households and make appropriate rehousing arrangements as under the prevailing practice.

Transport and Housing Bureau May 2016