

Legislative Council Panel on Development and Panel on Housing

**Receiving public views on
“General ex-gratia compensation and rehousing arrangements
for Government’s development clearance exercises and
Head 711 project no. B780CL - Site formation and infrastructure works for
public housing development at Wang Chau, Yuen Long”**

Follow-up Issues of the Joint Meeting on 26 June 2018

In response to the request raised at the joint meeting of the Panel on Development and Panel on Housing on 26 June 2018 regarding the situation of households affected by land resumption and clearance for the Wang Chau Phase 1 Development in Yuen Long who will be benefitted from the proposed enhancements to the ex-gratia compensation and rehousing arrangements (“the enhancements”), the supplementary information is provided below.

As compared to the existing ex-gratia compensation and rehousing arrangements for government development clearance exercises (“the existing arrangements”), the enhancements as announced by the Development Bureau on 10 May 2018 will offer assistance of various extent to all affected households registered in the freezing survey.

At present, the information available to the Lands Department (LandsD) mainly covers the nature of structures (such as whether they are surveyed in 1982 or licensed, and their uses), the number of households and their length of residence in some of the affected structures; while the financial means of such households (including their ownership of domestic properties in Hong Kong or otherwise) are pending verification. Furthermore, information about households of some structures covered in the freezing survey is still not available. According to the information currently available, which is **solely** based on the nature of structures and the length of residence as provided by the households, and by **assuming** that those households are not owners of domestic properties in Hong Kong, LandsD has conducted a **preliminary estimation** of the number of households who may benefit from various ex-gratia compensation and rehousing arrangements as follows:

- Upon enhancements, about 45% of the affected households may be eligible for rehousing arrangements (including the current means-tested rehousing option for those with at least two years' residence and the enhanced non-means tested rehousing option for those with at least seven years' residence) according to their length of residence preceding the freezing survey in eligible squatters.
- Under the existing arrangements, about 15% of the affected households may be eligible for claiming a cash ex-gratia allowance (EGA) as they have resided in eligible squatters for at least 10 years preceding the freezing survey. Upon enhancements, as the number of squatters that may become eligible will increase and households with at least two years' residence may apply for an EGA, about 55% of the affected households are expected to be eligible for the EGA as a result of the relaxed eligibility criteria. Some of those households may also opt for rehousing arrangements as they fulfil the eligibility for rehousing arrangements at the same time.
- Under the existing arrangements, about 30% of the affected households are ineligible for the Domestic Removal Allowance (DRA), whereas all of the affected households registered in the freezing survey will be offered an enhanced DRA upon enhancements.

According to the available information (i.e. **solely** based on the nature of structures and the length of residence as provided by the households), about 45% of the affected households can benefit only from DRA upon enhancements. These households are mainly in two categories: households (about 15%) which reside in squatter structures **not** surveyed in 1982 or **not** licensed (i.e. structures that have never been tolerated under the Squatter Control Policy and are totally unauthorised structures) and households (about 30%) which reside in squatters surveyed in 1982 or licensed structures but with less than two years of residence preceding the freezing survey.

Given that the freezing surveys for the three projects, namely, Kwu Tung North and Fanling North New Development Areas (NDAs), Hung Shui Kiu NDA and Wang Chau Phase 1 Development, were conducted before the

announcement of the revised arrangements on 10 May 2018, and that the follow-up work in the verification of household information has been delayed in working out the revised arrangements, the Government is prepared to considering more flexible implementation arrangements for these projects as to whether the length of residence after the respective freezing surveys may be counted in the length of residence for the purpose of determining the eligibility for ex-gratia compensation and rehousing. As a result of any more flexible implementation arrangements, it is believed that some households residing in squatters surveyed in 1982 or in licensed structures but with less than two years' residence preceding the freezing survey may also benefit from a cash EGA or the current means-tested rehousing option which is based on at least two years' residence preceding the freezing survey.

Since some households have not yet provided LandsD with the required information or the information provided is insufficient, the above estimation is subject to confirmation.

Development Bureau
Lands Department
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