## Legislative Council Subcommittee to Study the Subject of Combating Poverty

#### **Report on Elderly in Poverty**

#### **Purpose**

This paper sets out the Administration's response to the housing-related issues discussed and recommendations made in the draft Report on Elderly in Poverty (the Report).

# Elderly public rental housing (PRH) tenants to live with their married offspring (Paragraph 3.20 of the Report)

2. Some Members suggested that the policy requiring the offspring of PRH tenants to move out upon marriage has led to an increase in the number of singleton elders. Under the existing housing policy, not all married offspring of a PRH tenant are required to move out. Addition of the spouse of one of the tenant's married offspring is allowed. To facilitate "Aging in Place", the Housing Authority (HA) has recently relaxed the Addition Policy by allowing the addition of one adult offspring of an elderly tenant or an elderly household (i.e. all members of the household are aged 60 or above) and members of the offspring's family, so that elderly tenants may get better care and support from their families. The households concerned are required to undergo the Comprehensive Means Test and the Domestic Property Test. It is anticipated that some 110 elderly tenants/elderly households will benefit immediately from the above arrangement.

## Financial assistance for the elderly PRH tenants (Paragraph 4.3 of the Report)

3. The HA introduced the Rent Assistance Scheme in 1992, which aims at providing relief in the form of rent reduction to PRH tenants who are non-CSSA recipients and are faced with temporary financial hardship. In order to help the elderly in need, elderly households are eligible for

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50% rent reduction if their income falls below 60% of the Waiting List Income Limit or their rent-to-income ratio exceeds 20%. In addition, while tenants who have received rent assistance for three years and are still in need of rent assistance are required to move to cheaper PRH accommodation, elderly households are exempt from this requirement.

### Priority housing allocation for families with elderly members (Paragraph 4.14 and 5.1(q) of the Report)

- 4. Some Members suggested that families with elderly members should be given priority in flat allocation. The HA introduced the Families with Elderly Persons Priority Scheme (FEP) and the Special Scheme for Families with Elderly Persons (NFEP) in 1982 and 1990 respectively, whereby eligible applicants may enjoy earlier housing allocation and preferential treatment in the choice of districts and flat offers. Applicants under FEP may choose flats in any districts (including the Urban District), while those under NFEP may be allocated two flats in the same estate in the New Territories.
- 5. The HA has recently enhanced the two priority schemes. The minimum waiting time for applicants will be reduced from two years to 18 months to allow earlier allocation of PRH flats to the elderly. Furthermore, the choice of districts under the NFEP will be relaxed such that applicants may choose flats in any districts other than the Urban District, instead of only the New Territories as in the past.

### Construction of small self-contained PRH units (Paragraph 4.15 and 5.1(r) of the Report)

6. Some Members suggested that more self-contained PRH units be constructed such that elderly tenants do not have to share facilities with others. In fact, since 2001, all new PRH units built by the HA are self-contained. The HA will closely monitor the flat mix in new PRH estates and increase the supply of small flats according to the demand, to ensure an adequate supply of small flats for the elderly. In the five-year period between 2007/08 and 2011/12, the HA will construct about 77 500 PRH flats, of which 17 230 (about 22%) are small flats suitable for allocation to one or two-person households. Moreover, since 2001, the HA has been gradually converting one-person flats with shared kitchens and toilet facilities to normal self-contained units. Starting from 2006, the HA has been converting Housing for Senior Citizens (HSC) of

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relatively high vacancy rate (mostly units with shared kitchens / toilets) to self-contained units.

7. To implement the concept of "Aging in Place", the HA has since 2002 adopted a barrier-free design in new public housing blocks. We will carefully consider housing estate design, flat internal layout, building services, estate facilities and other design factors to ensure that aged or disabled residents can continue to stay safely and conveniently in their existing flats and an environment with which they are familiar. In public housing construction, we would refine the design of small flats to maximise the utilisation of space and provide better lighting and clothes drying facilities for the convenience of the elderly tenants.

### Providing housing assistance to abused elders (Paragraph 4.16 and 5.1(p) of the Report)

- 8. Some Members were concerned with the increase in the number of elder abuse cases and urged the Administration to provide timely housing assistance to the victims. The HA is sympathetic with the elderly with family problems and will provide housing assistance to them in a flexible and prompt manner to cater for their needs.
- 9. As far as elderly PRH tenants are concerned, if it is proven that serious and entrenched discord exists among family members, or there are other reasons deserving compassionate consideration, the Housing Department (HD) will, upon recommendation from the Social Welfare Depart (SWD), arrange for household splitting. If both the main and the splinter households pass the Comprehensive Means Test and the Domestic Property Test, an additional flat will be allocated to them so that they can live separately.
- 10. In serious cases, the HD would allocate public housing flats to abused elders under the Compassionate Rehousing policy upon recommendation from SWD, if the persons concerned have genuine and urgent housing needs, regardless of whether they live in public or private housing. In general, applicants have to satisfy the eligibility criteria applicable to Waiting List applicants, including the need to pass the Comprehensive Means Test and the Domestic Property Test, and to meet the requirement of seven years' residence in Hong Kong. However, the SWD may recommend the waiving of part or all eligibility criteria on the

merits of individual cases. The HD will allocate suitable flats on the basis of the recommendation from the SWD. Depending on the needs of individual cases, the HD can make an allocation offer within a period as short as ten days.

## PRH applications by elderly property owners (Paragraph 4.19 of the Report)

- 11. Some Members suggested that the PRH eligibility criteria for the elderly be relaxed so that elderly property owners can also apply for PRH. Under the prevailing policy, all Waiting List applicants and their family members must not own or co-own any domestic property from the time of registration up to the time when a tenancy agreement is signed upon allocation of a PRH flat. To maintain a rational allocation of public housing resources, the HA must continue to give priority to the housing needs of the Waiting List applicants (including over 5 000 elderly persons). The HA therefore has no plan to exempt or relax the ownership restriction on domestic property to allow elderly property owners to apply for PRH.
- 12. However, to address the living problems of some elderly property owners, the HA has exercised flexibility and introduced an ex-gratia arrangement to allow needy elderly property owners to move into HSC on a temporary licence basis upon recommendation from the SWD for Compassionate Rehousing. For those elderly property owners who are unsuitable to live in HSC for any particular reasons, discretionary arrangements will be made for them to move into self-contained PRH flats on a temporary licence basis. The elderly property owners may live temporarily in PRH under this arrangement provided that they have passed the Comprehensive Means Test, that they have owned and lived in private dilapidated buildings without lifts for 10 years or more, and that all the family members living with them are aged 60 or above.

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