

**Legislative Council Panel on Housing
Subcommittee on the Long Term Housing Strategy**

Issues relating to the subdivision of flat units

PURPOSE

This paper sets out the major findings of the Survey on Subdivided Units (SDUs) in Hong Kong, as well as the enforcement actions taken by relevant Government departments to address the fire and building safety problems of SDUs.

DETAILS

Survey on Subdivided Units

2. The Long Term Housing Strategy Steering Committee (SC) commissioned Policy 21 Limited, an independent research institution, to conduct a survey on SDUs during the three-month period from 31 January 2013 to 30 April 2013. The objective of the Survey is to estimate the number of SDUs in the territory and to gather information on the profile of the tenants living therein in order to provide the SC with objective information to facilitate its deliberations on the long term housing demand of Hong Kong.

Methodology of the Survey

3. The Survey was carried out on private domestic/composite buildings aged 25 and above in Hong Kong. Due to their fragmented ownership, lack of monitoring by the building management, relatively large floor area and relatively low rental value (as reflected by rateable value) before subdivision, there is much higher chance of finding domestic premises in these old buildings being subdivided into two or more units for rental purpose when comparing to that of new buildings. In view of this and the tight time constraint within which the Survey had to take place, the scope of the Survey was confined to buildings aged 25 and above. However, to test the hypothesis that few SDUs should be found in newer buildings, a small sample of 200 private domestic/composite buildings aged below 25 years were surveyed in mid May 2013. This survey found that the number of SDUs in these newer buildings is indeed very small. The result confirms that the original decision to confine the scope of the Survey to those buildings aged 25 and above is appropriate.

4. A stratified random sampling design was adopted in the Survey in order to obtain a representative sample of premises, based on which a statistically reliable estimate could be compiled for the number of SDUs in private domestic/composite buildings aged 25 and above, as well as information on the characteristics of households and living conditions of tenants living in SDUs.

5. Among some 18 600 private domestic/composite buildings aged 25 and above in Hong Kong, Policy 21 conducted enumeration at 1 860 buildings (about 10% of such buildings) during the survey period. These 1 860 buildings were chosen having regard to certain stratification factors, being building age, rateable value and spatial characteristics (e.g. whether or not near MTR stations). Sample selection was conducted systematically with the list of buildings sorted by districts such that the sample so chosen was distributed across different districts.

6. Two sets of questionnaires were used in the Survey. One was a Short Questionnaire, which covered some basic information such as household size, tenure accommodation, area, rental, facilities and household income. The other set was a Long Questionnaire, which covered more detailed questions, including not only those covered in the Short Questionnaire, but also questions related to socio-economic characteristic of the household members, households' perceived views on conditions of buildings, their neighborhood relationship and problems encountered. A total of 5 900 interviews and 542 interviews were conducted using Short Questionnaire and Long Questionnaire respectively.

Major Findings

7. By adopting a ratio estimation method, it is estimated that there are some 18 800 quarters with SDUs and each quarter is subdivided into 3.6 SDUs on average. Hence, the estimated number of SDUs is 66 900 units in total. Among these, the number of SDUs in Kowloon is estimated to be 33 300. On the Hong Kong Island and in New Territories West, the estimated numbers are 16 000 and 14 100 SDUs respectively. The estimated number of SDUs in New Territories East is 3 500.

8. Of the 66 900 SDUs, it is estimated that 30 600 SDUs are not equipped with one of the essential facilities inside the unit, i.e. kitchen/cooking area, toilet or water supply inside the unit.

9. As regards population, it is estimated that there are about 171 300 persons living in these SDUs. Of these, there are 81 600 persons living in SDUs in Kowloon. On the Hong Kong Island and in New Territories West, there are 37 800 and 45 500 persons living in SDUs respectively. In New Territories East, there are 6 400 persons living in SDUs.

10. It should be noted that in the Survey, SDUs are found to be occupied by predominately small households. 27.1% of the SDUs are one-person households, 26.2% and 20.7% are 2-person households and 3-person households respectively. The remaining are households of a bigger size. Some 13.7% of households living in SDU are Comprehensive Social Security Assistance recipients.

11. It is also noted from the Survey that 49.6% of households living in SDUs have applied for public housing. Among them, 97.1% are on the waiting list, 2.7% do not meet the criteria and 0.2% have accepted the offer and would soon move to public housing.

12. As mentioned in paragraph 3, the Survey was conducted on private domestic/composite buildings solely. Policy 21 had indeed conducted a feasibility study to visit some of the industrial buildings with a view to estimating the number of SDUs and households in these buildings. Policy 21 attempted to cover industrial buildings in the survey but encountered problems in gaining entry to these buildings. The management offices of the industrial buildings would only allow the enumerators to enter the buildings in the day time but it was very difficult for the enumerators to contact and interview the householders, if any, in the day time. It was therefore very difficult for Policy 21 to confirm whether the units were used for domestic or non-domestic purposes in industrial buildings.

13. It should also be noted that the purpose of this Survey is to estimate the number of SDUs in Hong Kong with a view to providing the SC an objective basis and relevant information in formulating a projection on the housing demand. It is not conducted for the purpose of assessing the fire or building safety standards of the SDUs. Indeed, the enumerators of the Survey do not possess the professional skills and knowledge to assess the fire and building safety of the premises they visited.

14. As regards public's concern about fire and building safety of the SDUs, the Government has adopted a series of measures to specifically address such issues. Details are set out below.

Enforcement action against irregularities of building works associated with subdivision of flats by the Buildings Department

15. Under the current policy, Buildings Department (BD) carries out enforcement action and inspection in response to complaints on SDUs received from the public. In addition, it has launched a large scale operation (LSO) to inspect 150 target buildings per year to identify and take action against irregularities involving buildings works associated with SDUs since April 2011. The LSO was enhanced in April 2012 by increasing the target to 200 buildings per year, including 30 industrial buildings. The strategy of this operation was adjusted by taking into account the fire risk that might be brought about by hawker stalls when choosing the target buildings for the operation in 2012. As a result, 339 old style domestic and composite buildings in the vicinity of hawker stalls were selected, in addition to 30 industrial buildings.

16. From April 2011 to March 2013, a total of 485 target buildings had been inspected, with 2 587 SDUs identified, involving 9 942 cubicles. During the same period, BD had issued a total of 1 238 removal orders against the irregularities identified during the LSO.

17. Upon issue of a removal order, BD will take action to ensure compliance by the owners. Where the owners have not complied with the orders after a specified period, BD will issue reminders and, if necessary, warning letters to the owners to urge them to comply with the orders before considering whether to instigate prosecution. Prosecution may be instigated if the owners fail to comply with the orders without reasonable excuse. Moreover, BD will consider engaging government contractors to carry out the required works in the face of the owners' default and will subsequently recover the cost of such works, plus supervision charge and surcharge from the owners. From April 2011 to March 2013, the numbers of prosecution instigated and convictions were 55 and 14 respectively.

18. BD will continue its LSO on SDUs and take appropriate enforcement action where necessary.

Joint operation to inspect the common means of escape of old style domestic and composite buildings by BD and Fire Services Department

19. In response to the Coroner's report in respect of the tragic fire on Fa Yuen Street in November 2011 and public concern about the fire safety conditions in old style domestic and composite buildings, BD and Fire Services Department (FSD) launched a joint operation commencing from 8 April 2013 to inspect the common means of escapes (MOEs) of about 6 500 old-style domestic and composite buildings. The inspection of these buildings is expected to be completed in a year's time.

20. The joint operation aims to enhance the fire and building safety of the common parts of old style domestic and composite buildings, particularly the common escape staircases which are poorly managed and maintained, with irregularities in fire-resisting construction and blockage of MOEs, and thereby adversely affecting the fire safety of the buildings.

21. During the inspection, BD and FSD will also distribute publicity leaflets to enhance the awareness of fire safety among the residents of the target buildings. Based on the inspection results as well as the information and evidence collected, the two departments would take appropriate enforcement action against the irregularities in accordance with relevant laws as soon as possible, including issuing removal orders or Fire Hazard Abatement Notices, as well as instigating prosecutions against the offenders.

22. As at 30 April 2013, BD and FSD had inspected 387 and 402 old-style domestic and composite buildings respectively. During the inspection, BD has identified a number of irregularities involving building works, including the removal of fire-rated doors from the flat units, the installation of metal gates outside flat units or building entrances that failed to meet safety standards, and the obstruction of MoEs by unauthorized building works. BD is actively following up these cases of irregularities and will take necessary enforcement action.

23. Meanwhile, FSD has also identified various fire safety irregularities in the buildings inspected. The irregularities include the obstruction of escape routes by refuse, discarded furniture or other miscellaneous articles; locked doors or metal gates to main roofs and ground floors; fire service installations being defective, poorly maintained or not annually inspected by a Registered Fire Service Installation Contractor; depositing of combustible material in MOEs; missing, wedged open or defective smoke stop doors; and the erection of metal gates, combustible wall lining or false ceiling along MOEs. As at

30 April 2013, FSD had issued 12 Fire Hazard Abatement Notices to owners or Incorporated Owners of the relevant buildings to abate the fire hazards concerned.

ADVICE SOUGHT

24. Members are invited to note the content of the paper.

Transport and Housing Bureau
Development Bureau
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