Bills Committee on Landlord and Tenant (Consolidation) (Amendment) Bill 2021

Government's Response to Issues Raised at the Meeting on 29 July 2021

The Government's response to the issues raised by Members at the meeting on 29 July is set out as follows –

(a) Subdividing a flat into two or more subdivided units (SDUs) may be subject to enforcement taken by the Buildings Department (BD) under the Buildings Ordinance (Cap. 123) in accordance with the department's enforcement policy. BD's enforcement actions target at actionable building irregularitie¹ associated with such flats (hereinafter referred as subdivided flats (SDFs)) through mounting large scale operations and acting on reports. Upon identification of the actionable building irregularities, BD will issue removal orders to the flat owners concerned, requiring rectification of the irregularities. As regards SDFs used for domestic purpose in industrial buildings, BD will issue discontinuation orders against the flat owners requiring the cessation of the domestic use. From 2016 to 2020, the total number of SDFs rectified of the above irregularities is 1 198.

BD has been reporting the statistics of the enforcement actions against SDFs regularly through its website², Controlling Officer's Reports, and replies to questions from the Legislative Council Members.

(b) The Rating and Valuation Department is setting up a new team of about 50 staff to administer the new provisions in the Bill, including promoting public awareness of the new regulatory regime; handling enquiries; providing advisory and mediatory services on tenancy matters; endorsing notices of tenancy; publishing summary information about SDU rents reported; and taking enforcement action, etc. We will keep in view the situation upon the implementation of the new law and augment the manpower resources as appropriate.

¹ Examples include formation of unauthorised door openings that contravene the fire-resisting construction requirements of fire escape routes, erection of partition walls that block fire escape routes, and excessive installation of partition walls and/or thickening of floor screeding that result in overloading of the floor slabs.

² https://www.bd.gov.hk/en/resources/request-for-information/index sdflso.html

(c) According to the findings of the survey commissioned by the Task Force for the Study on Tenancy Control of Subdivided Units (the Task Force) in 2020, there are some 110 000 SDUs in Hong Kong. The survey defined SDUs to cover certain other types of inadequate housing³ which were not defined as SDUs in the 2016 Thematic Report, i.e. cubicles, loft spaces, space capsules, bedspaces and rooftop houses. The breakdown is as follows –

Type of SDUs in the Survey	Number
in 2020	
SDUs that meet the SDU	100 943
definition in the 2016 Thematic	
Survey ⁴	
Cubicles ⁵	3 415
Loft spaces	258
Space capsules	1 165
Bedspaces	160
Rooftop houses	4 067
Total	110 008

All of the above categories of SDUs (110 008 units in total) fall within the definition of SDUs under the Bill and hence will be regulated by the Bill.

According to the Long Term Housing Strategy, the housing demand projection for the next ten years covers households living in inadequate housing. Such inadequate housing includes – (a) housing unit made up of temporary structures (e.g. huts, squatters and roof-top structures); (b) unit located in a non-residential building (e.g. commercial and industrial building); (c) unit that is shared with other households (e.g. those living in rooms, cubicles, bedspaces and cocklofts in private permanent buildings); and (d) SDU.

⁴ An "SDU" was defined by the Census & Statistics Department (C&SD), for the purpose of conducting a statistical survey for the "Thematic Report: Persons Living in Subdivided Units" (2016 Thematic Report) under the 2016 Population By-census, to be 'formed by splitting a unit of quarters into two or more "internally connected" and "externally accessible" units commonly for rental purposes'.

⁵ A "Cubicle" refers to a type of inadequate housing with physical partitions (concrete or wooden), but the units are not externally accessible. Tenants of the cubicles are generally required to share toilets and kitchens within the quarters and they are commonly categorised as multi-households within a unit of quarters.

We understand from the Census and Statistics Department and the consulting firm responsible for conducting the survey commissioned by the Task Force that those premises with one room rented out were classified as "cubicles" under their respective surveys. As noted from the above breakdown, the total number of other types of inadequate housing as captured by the survey commissioned by the Task Force (i.e., cubicles, loft spaces, space capsules, bedspaces, rooftop houses) is 9 065 units, of which 3 415 are cubicles.

Transport and Housing Bureau August 2021