

立法會 *Legislative Council*

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Panel on Housing

Report of the Subcommittee on Issues Relating to Transitional Housing and Subdivided Units

Purpose

This paper reports on the deliberations of the Subcommittee on Issues Relating to Transitional Housing and Subdivided Units ("the Subcommittee") formed under the Panel on Housing ("the Panel").

Background

2. In view of the time required to identify land for housing construction, the current-term Government has since 2017 supported community initiatives on transitional housing to alleviate the hardship faced by families on the public rental housing ("PRH") waiting list and inadequately-housed households ("IHHs"),¹ and has indicated in the 2017 Policy Address various specific measures on transitional housing.²

¹ According to the Hong Kong Housing Authority's [website](#), there were about 153 900 general applicants (i.e. family and elderly one-person applicants) for PRH as at end-December 2020. According to the Long Term Housing Strategy Annual Progress Report 2020, the estimated number of IHHs in Hong Kong was 122 000.

² These measures include (a) optimizing the use of idle government premises by providing rental housing units like those under the "Light Housing" project launched by Light Be in Sham Tseng; (b) supporting the Community Housing Movement initiated by the Hong Kong Council of Social Service on a pilot basis, including encouraging the Urban Renewal Authority to participate by offering units in old buildings; (c) facilitating the Hong Kong Housing Society in allowing the owners of its subsidized housing to rent out their flats with premium unpaid to needy families at below market rentals on a pilot basis; (d) exploring the wholesale conversion of industrial buildings into transitional housing with waiver of land premium; and (e) supporting non-profit-making organizations to explore the feasibility of constructing pre-fabricated modular housing on idle sites.

Task Force on Transitional Housing

3. As one of the six new housing initiatives announced by the Chief Executive ("CE") in June 2018, a task force on transitional housing ("the Task Force on TH") has been established under the Transport and Housing Bureau ("THB") to spearhead transitional housing.³

Supply of transitional housing

4. The 2019 Policy Address announced the target of providing a total of 10 000 transitional housing units within the three years from 2020-2021 to 2022-2023. In January 2020, the Government announced that it would further increase the supply of transitional housing by raising the three-year target to 15 000 units. The Task Force on TH has assisted and facilitated a number of transitional housing projects proposed and operated by non-government organizations ("NGOs").⁴ As at mid May 2021, the Task Force on TH has identified land for provision of about 14 000 units by 2022-2023. Of the 14 000 units, over 1 300 have been completed, about 2 300 units are under construction and scheduled for completion in 2022, 9 900 units with various pre-construction work, including planning and/or design review, have started and a potential of 450 units are under in-depth feasibility study. As announced in the 2020 Policy Address, a pilot scheme funded under the Community Care Fund ("CCF") to subsidize NGOs to rent suitable rooms in hotels and guesthouses with relatively low occupancy rates for use as transitional housing ("the Pilot Scheme") was launched in April 2021.

³ The Task Force on TH comprises five dedicated officers (including two project directors) led by the Under Secretary for Transport and Housing (LC Paper No. [CB\(1\)388/18-19\(03\)](#)).

⁴ These projects include social housing in privately owned vacant residential buildings and vacant government premises, other initiatives by different NGOs including proposals of using modular integrated construction method to construct transitional housing on vacant government land and privately-owned land, or converting vacant non-residential buildings (such as privately-owned vacant school premises or industrial buildings) to transitional housing (LC Paper No. [FCR\(2019-20\)45](#)).

Financial measures to support transitional housing projects

5. In January 2019, the Finance Committee ("FC") approved the Administration's proposal to set up a \$1 billion fund to support NGOs for the gainful use of vacant government sites, including transitional housing projects.⁵ The Administration announced in April 2019 that CE in Council had approved the exemption of waiver fee, rent and associated costs for land applications related to the provision of community-initiated transitional housing projects.

6. The Government has since March 2020 committed \$8.3 billion to implement the Funding Scheme to Support Transitional Housing Projects by Non-Government Organisations ("the Funding Scheme"). As of June 2021, about \$3.88 billion has been approved under the Funding Scheme. In June 2021, FC approved the enhancements to the Funding Scheme by expanding its scope to cover the rent payment for conversion or use of private premises as transitional housing and to increase the funding ceiling for transitional housing developments on vacant land with site development constraints. The proposed expansion will also make eligible transitional housing projects making use of rooms in hotels and guesthouses.

Position on tenancy control

7. All along there have been suggestions from members of the public urging the Administration to re-introduce tenancy control with a view to safeguarding the interest of grass-roots tenants.⁶ To these views, the Administration elaborated its views on tenancy control in the Long Term Housing Strategy ("LTHS") promulgated in end-2014. In gist, the Administration considered that public views on the subject of tenancy control were diverse and there was no consensus in the community over the issue yet. Weighing the pros and cons, and considering the potential adverse consequences associated with tenancy control measures which rendered them

⁵ As at 31 March 2020, the Development Bureau had approved the funding for the entire project or phased funding for eight applications, and of which, three were related to transitional housing on vacant government land, with a total of funding capped at about \$13 million granted to the NGO-applicants for kick-starting the preliminary works (LC Paper No. [CB\(1\)500/19-20\(01\)](#)).

⁶ As mentioned in LC Paper No. [IN16/16-17](#), tenancy control in Hong Kong started with the enactment of the Rents Ordinance in 1921 to protect the tenants from unreasonable rent increases and arbitrary evictions. Since then, the two forms of tenancy control – rent control and security of tenure – had been implemented through the amendment and/or enactment of various relevant ordinances. In December 1998, rent control was abolished, and in July 2004, the security of tenure was removed.

counter-productive, the Administration was of the view that it would not be in the interest of IHHs or the general public to introduce any tenancy control measures in Hong Kong. The Government has since reiterated on various occasions that tenancy control is a highly controversial issue and needs to be handled in a cautious manner.

Study on tenancy control of subdivided units

8. On 14 January 2020, CE announced the setting up of a task force to study feasible options on the tenancy control of subdivided units ("SDUs") on the ground that without proper rental regulations, rental subsidies or electricity and water charges reductions provided by the Government would hardly benefit the large number of families⁷ living in SDUs who have been bearing heavy rents and unfavourable rental arrangements for a long time. On 16 April 2020, THB announced the appointment of the Task Force for Study on Tenancy Control of Subdivided Units ("the Task Force on SDUs") to study the feasibility and options for tenancy control of SDUs and related issues.

9. In March 2021, the Task Force on SDUs completed its study and recommended that the Government should implement suitable tenancy control on SDUs to safeguard the interests of grass-roots tenants of SDUs. It put forth a regulatory framework and host of measures for effecting the proposed tenancy control on SDUs, including mandating the signing of a written tenancy agreement by SDU landlords and tenants stipulating the rights and obligations of both parties, providing a four-year security of tenure to tenants, restricting the level of rent increase with reference to the movement of the relevant rental index of private domestic properties compiled and published by the Rating and Valuation Department ("RVD") and subject to a cap of 15%, and prohibiting landlords from overcharging tenants utility fees, etc.

The Subcommittee

10. The Subcommittee was appointed by the Panel on 2 November 2020 to study and follow up measures relating to transitional housing and SDUs and make recommendations. The terms of reference and membership of the Subcommittee are set out in **Appendices I** and **II** respectively.

⁷ According to the Long Term Housing Strategy Annual Progress Report 2019, it is estimated that there were 96 400 households living in SDUs.

11. Under the chairmanship of Hon Vincent CHENG, the Subcommittee has held a total of five meetings since the commencement of its work in January 2021 and has invited written submissions from the public. The Subcommittee has received 12 submissions. A list of the organizations and individuals which/who have given views to the Subcommittee is in **Appendix III**. The Subcommittee also conducted a visit to transitional housing projects and families in SDUs on 20 May 2021.

Deliberations of the Subcommittee

12. The Subcommittee's deliberations are set out in the ensuing paragraphs in two groups with issues relating to transitional housing in paragraphs from 13 to 37 and those relating to tenancy control of SDUs in paragraphs from 38 to 52.

Government vis-à-vis NGOs in implementing transitional housing

13. Members have suggested that given the importance of transitional housing in alleviating the society's housing needs and the operation of a transitional housing project may span over 10 years, the Administration should consider incorporating transitional housing into the housing ladder and make greater commitment to the supply of transitional housing. By doing so, the Administration could ensure the quality of the management of transitional housing projects and consistency in policy direction. Also, statutory organizations set up for construction of public housing, such as the Hong Kong Housing Authority ("HA") and the Hong Kong Housing Society, should be tasked to take forward the related work.

14. The Administration has advised that LTHS has formulated a strategic direction for housing policies. As transitional housing is not meant to be a long-term solution to the housing problem and the durations of individual transitional housing projects vary, the Administration does not consider it suitable to incorporate transitional housing into the housing ladder. That said, the Administration remains committed to the provision of transitional housing. As regards members' concern about the supply of land for transitional housing, the Administration has advised that many developers which own the land used for transitional housing projects have already indicated their willingness to renew the contracts with the NGOs upon expiry.

15. Whilst members understand that the provision of transitional housing requires the collaboration of various sectors and different government organizations, some members strongly objected to delegating the management and aftercare services of transitional housing projects to NGOs on the ground that these tasks and the maintenance of the proposed information platform on transitional housing should be the duties of the District Offices under the Home Affairs Department and the Social Welfare Department, which should be responsible for maintaining strong ties with the people. By doing so, the Administration could come to grips with people's expectations better, and would be able to collect first-hand information on transitional housing, which is useful for policy formulation.

16. The Administration has advised that cross-sector collaboration is one of the key features of transitional housing. By participating in transitional housing projects, NGOs could bring into play their vision, experience, local network and resources as well as community intelligence, thus contributing to the diversity of transitional housing projects. For example, among the completed transitional housing projects, some are targeted at single-parent families, while others might be targeted at rehabilitated offenders or ethnic minority groups. From policy inception to project implementation, the Administration has actively promoted close collaboration with community organizations with the aim of bringing together community efforts and social resources, and allowing different community organizations to showcase their creativity in providing flexible and diversified transitional housing projects.

Target of supplying transitional housing units

17. Members consider that the Administration's greater participation is crucial in meeting the supply target of transitional housing of 15 000 units by 2022-2023. They note that about 2 400 transitional housing units are expected to be completed in 2021-2022. Added to the 1 100 units already completed, these 3 500 units made up only 23% of the supply target of 15 000 units. Members consider the supply target of 2 400 units for 2021-2022 too conservative and should be raised to around 10 000.

18. The Administration has advised that in addition to the 3 500 transitional housing units already completed and to be completed in 2021 and 2022, projects involving some 9 800 units have been activated, among which the project in Tung Tau, Yuen Long involving some 1 800 units will commence works very shortly and will be completed in the second half of 2022. Projects under in-depth study are those currently stuck in a bottleneck but would be taken forward in full steam as soon as the hurdles are removed.

Removing policy barriers in taking forward transitional housing

19. Members see transitional housing as an expedient measure to meet housing demand in the short term. In order to cater for the long-term demand for public housing, it is essential that THB adopts a more proactive approach in identifying suitable land for public housing development. It should work more closely with the Development Bureau ("DEVB") and other government departments such as the Fire Services Department and Buildings Department ("BD"), etc. in order to streamline the relevant procedures and remove policy barriers as far as possible. Members have called on the Administration to remove policy barriers to transitional housing development, including the relaxation of height/plot ratio restrictions of upcoming transitional housing projects to allow the construction of more transitional housing units on individual plots.

20. The Administration has advised that it has worked hard at streamlining procedures to facilitate the completion of transitional housing projects and would explore further room for removing policy barriers to transitional housing supply, for example, by relaxing the height/plot ratio restrictions and optimizing the use of land resources. THB has been in close collaboration with DEVB on initiatives to increase housing and land supply. The Task Force on TH has held a number of inter-departmental meetings with representatives from DEVB and other relevant government departments, thus enabling much preliminary work on transitional housing projects to be undertaken in advance to speed up the project progress. For example, in the Sung Wong Toi Road project providing 110 units, relevant departments have undertaken much preliminary and streamlining work which has enabled the project to be completed in about 200 days.

Pilot Scheme to Subsidise Using Rooms in Hotels and Guesthouses as Transitional Housing

21. The Subcommittee has examined in detail the Pilot Scheme, under which NGOs rent rooms in hotels and guesthouses for use as transitional housing for needy families. Members have sought information on how the level of rent would be determined; whether electricity tariffs and water charges would be included in the rent; and the arrangements concerning rent deposit and the assistance to tenants in the event of early termination of tenancy (for example, where tenants are allocated with a PRH unit before expiration of tenancy).

22. The Administration has advised that while NGOs are allowed certain flexibility to set their tenants' rent, an affordable level of rent is expected, which would be a significant factor for determining the actual amount of financial subsidy to them. In general, NGOs would set the rent level with reference to parameters such as the maximum level of the rent allowance under the Comprehensive Social Security Assistance Scheme ("CSSA"), 25% of the household income of the tenants, etc. The party/parties to be responsible for the miscellaneous expenses incurred during the tenancy transitional period may vary from case to case. The Administration would assist in working out the details with both parties. NGOs are expected to be flexible in the arrangement concerning rent deposit and early termination of tenancy. As there would be a strong demand for transitional housing under the Pilot Scheme, turnover of the rooms is unlikely to be an issue.

23. Members have enquired about the criteria for selecting hotels/guesthouses to join the Pilot Scheme in order to ensure that they have a fair opportunity for participation and the mechanism for determining a reasonable rent level of the transitional housing units.

24. The Administration advised that interested hotels/guesthouses will be invited to approach the Administration which will compile a list for NGOs to consider according to their specific requirements. NGOs can then arrange site visits and liaise with the concerned hotels/guesthouses. The Administration will provide advice and assistance in the process. In determining the subsidy level for an NGO, the Administration will consider a series of factors such as the level of rent to be charged and attributes of the room, including the size of the room and the location of the property, etc. While the subsidy for each room will be capped at \$133,500 for two years, some potential industry participants have raised concern that the subsidy level is too low to be attractive for their participation. Some have even proposed that a minimum cost of \$13,000 per room per month would be necessary. Nevertheless, the Administration will exercise prudence when determining the amount of subsidy as public money is involved.

25. Members consider that as the participation rate of the Pilot Scheme is less than satisfactory, the Administration should strive to raise the success rate of matching among hotels/guesthouses and NGOs. This involves identifying and removing policy barriers, and providing incentives to the parties concerned to attract prospective participants to join the Pilot Scheme. The Administration should also consider setting up a centralized platform to coordinate the management of various transitional housing projects. It has also been suggested that the functions of the Assessment Committee of the

Funding Scheme be enhanced to cover other areas such as management and auditing.

26. The Administration holds the view that as the Pilot Scheme is still in an experimental stage, NGOs and the industry are exploring the way ahead. That being so, encouraging progress has been made since the announcement of the Pilot Scheme in the 2020 Policy Address. Regarding the matching arrangements, as hotels/guesthouse units are generally small in size, they tend to be more suitable for accommodating small families such as single parent or dual income families. The Administration has undertaken to consider members' suggestion on expanding the Assessment Committee's functions.

Conversion of industrial buildings into transitional housing

27. Members note that for proposals involving wholesale conversion of industrial buildings into transitional housing, BD will adopt a pragmatic approach to favorably consider granting these transitional housing projects certain exemptions from requirements under the Buildings Ordinance (Cap. 123). Some members have pointed out that from a business point of view, the conversion of industrial buildings into transitional housing is not a viable investment given that the costs involved in conversion and restoration are high and the duration of use as transitional housing approved by the Town Planning Board ("TPB") is short. Members consider that more incentives and subsidies should be provided to raise the attractiveness of the Revitalisation Scheme for Industrial Buildings ("the Revitalisation Scheme"). They have also cast doubt on the effectiveness of the Revitalisation Scheme and the Administration's determination and ability to overcome the institutional barriers to its smooth implementation.

28. The Administration has advised that it sees the Revitalisation Scheme as an integral component of its effort to increase transitional housing supply. Nonetheless, it would review the Revitalisation Scheme and consider if flexibility could be offered in the handling of planning, land lease and building design requirements.

Identifying land for transitional housing

29. To increase the supply of land for transitional housing, members have urged the Administration to identify more privately-owned idle farmlands in the New Territories for building transitional housing by the modular integrated construction method and remove the institutional barriers to building transitional housing on idle sites in rural areas. The Administration should

also identify for the use of transitional housing more government sites which are either not leased or leased for a short term.

30. The Administration has advised that construction of transitional housing on idle sites in the New Territories requires planning permission by TPB under the Town Planning Ordinance (Cap. 131), which would involve detailed environmental, ecological and transport impact assessments. For example, the transitional housing project in Kong Ha Wai, Yuen Long is subject to the above stringent assessments. The Administration would continue to provide as many transitional housing units as possible by various means, for example, by converting vacant school premises and exploring opportunities for cooperation with private property owners.

Rent level of transitional housing units

31. Noting that as at June 2021, 29 transitional housing projects operated by NGOs have been completed providing 1 305 units for over 1 500 families, members have sought information on the overall rent level of the units in these projects as a percentage of the average household income of the families concerned, in order to ascertain whether such rent level is affordable to the tenants and accords with the relevant policy intention of not exceeding 25% of the tenants' household income or the maximum level of rent allowance under the CSSA Scheme.

32. The Administration has advised that the average rent level of the units in the completed transitional housing projects mentioned above is about 24.4% of the average household income of the families concerned. The benchmark rent level would in general not exceed 25% of the household income or the maximum level of rent allowance under the CSSA Scheme. In the cases where the rent is higher than the benchmark as it would sometimes be affected by variations in the tenants' monthly income, the NGOs operating the projects would provide timely assistance to the tenants.

Reserving transitional housing to cater for impact of tenancy control on SDUs

33. In view that existing SDU tenants may face pre-emptive rent hikes by their landlords in anticipation of the implementation of tenancy control measures on SDUs in early 2022 and are forced to move out of their units, members have called on the Administration to reserve units in transitional housing projects nearing completion and intake for accommodating such SDU tenants.

34. The Administration has advised that the two main eligibility criteria for transitional housing are that the tenants concerned have been on PRH waiting list for at least three years and are living in inadequate housing. Every NGO concerned has the discretion to flexibly allocate 20% of the transitional housing according to its organization goals and corporate aims. The Administration has been monitoring the SDU market and so far does not notice a significant number of rent hike cases. Notwithstanding this, the Administration has undertaken to actively consider members' suggestion on reserving units in transitional housing projects to cope with the demand changes arising from the implementation of tenancy control measures.

35. Some members have suggested that the Administration should provide guidelines to NGOs operating transitional housing projects on using the 20% quota at their discretion to cater for the SDU tenants who are affected by rent hikes resulting from the implementation of tenancy control on SDUs. The Administration has advised that NGOs can approach the Administration should they wish to have more flexibility in quotas for admitting tenants and it would work out the best approach with the NGOs on the issue.

Providing assistance to applicants for transitional housing

36. Members consider that as there are many different organizations participating in transitional housing projects, the Administration should consider providing a one-stop platform with information to help transitional housing applicants find the units which best suit their needs. The Administration should also step up promotion of the relevant transitional housing projects to the needy households, in particular the SDU tenants, well in advance. Moreover, NGOs operating the relevant transitional housing projects should be entrusted with the tasks of organizing and providing follow-up community services to help tenants adapt to the new environment, in particular for tenants of remotely located projects such as the Kong Ha Wai project in Yuen Long.

37. The Administration has been exploring initiatives to disseminate more comprehensive information to transitional housing applicants. NGOs would invite submission of applications for residence in their transitional housing projects well before the expected completion dates to allow sufficient time for SDU tenants to prepare for ending their existing tenancies. While pointing out that NGOs concerned are already required to provide adequate social support services to the tenants of their projects, the Administration has undertaken to relay to NGOs the members' suggestion on providing more comprehensive assistance to tenants.

Tenancy control on SDUs and cap on rent increase

38. The Subcommittee was consulted on the 26 April 2021 on the recommendations of the Task Force on SDUs along which the proposals in the Landlord and Tenant (Consolidation) (Amendment) Bill 2021⁸ would be formulated. Members opine that tenancy control of SDUs should include restrictions on the rate of rent increase upon renewal of tenancy and have enquired whether the Administration would make reference to the rate of rent increases of PRH when setting caps on the rate of SDU rent increases. Noting that the Task Force on SDUs might propose setting the maximum rate of rent increase at 15% upon renewal of SDU tenancy, members expressed concern that such a cap is too high to be affordable to SDU tenants and should be set at 10% at most, i.e. the rent increase ceiling of PRH units under the management of HA.

39. The Administration has advised that the 15% rent increase between the original regulated tenancy and the renewed regulated tenancy proposed by the Task Force on SDUs is only a maximum level rather than the prescribed level which has to be followed regardless of other factors. More importantly, the rate of increase should not be higher than the percentage change compared to two years ago of the private domestic rental index (all classes) of RVD in the relevant period, which recorded a negative value in 9 out of the past 23 years. Under the future legislation, if the relevant change of the above RVD rental index is negative, the rent of the renewed regulated tenancy will have to be decreased by at least the same percentage.

40. The Administration has further explained that there is a need to balance the interests of both tenants and owners in determining the optimum rate. New tenancy restrictions imposed after acquisition by an owner may constitute an infringement of or a derogation from an owner's property rights and be held by the court as contravention of the Basic Law, unless such measures would not disproportionately infringe on the private property rights of landowners whilst protecting the interests of SDU tenants. Regarding members' suggestion on making reference to the maximum rate of rent adjustment of PRH to set the cap on the rate of rent increase upon SDU tenancy renewal, the Administration has pointed out that while HA as a public body has the social responsibility to provide public housing to needy Hong Kong residents at an affordable rent level, SDU owners are operating a business on market principles. Direct comparison between the two is inappropriate.

⁸ Passed by the Legislative Council on 20 October 2021.

Setting initial rent of SDU tenancies

41. Members have suggested that the Administration make reference to the experience of enforcing rent control in overseas jurisdictions, such as Germany, and not only control the rate of rent increases of SDUs, but also prevent the landlords' charging of a high initial rent of a new tenancy for making up for the decreased rental income in future.

42. The Administration has replied that if tenancy control of SDUs is to be enforced, the Government should consider adopting measures which are more legally sound and relatively easier to administer, could be implemented speedily, whilst bringing real protection for SDU tenants. In considering whether tenancy control of SDUs should also control the initial rent of new tenancies, the Government needs to take into account the Hong Kong Bill of Rights Ordinance (Cap. 383) which came into force in Hong Kong on 8 June 1991 and the Basic Law which offers clear protection of private property rights. It is important to ensure that the measure should not disproportionately infringe on the private property rights of landowners whilst protecting the interests of tenants.

Overcharging of utility bills by SDU landlords

43. Some members have suggested the setting up of complaint or assistance hotlines on overcharging of utility fees and miscellaneous expenses by SDU landlords, similar to the hotline undertaken to be set up by the Water Supplies Department to handle complaints about overcharging of water charges upon the passage of the Waterworks (Waterworks Regulations) (Amendment) Bill 2021.⁹

44. The Administration has advised that under the proposed arrangement governing SDU utility charges, the total of the apportioned sums for all tenants should not exceed the amount charged in the subject utility bill. RVD now operates a general hotline to handle enquiries and would consider the setting up of a dedicated hotline to handle SDU-related complaints.

Implementation issues of SDU tenancy control

45. Some members consider that anti-circumvention and "immediate effect" provisions should be introduced in the enabling legislation to prevent SDU owners from initiating pre-emptive rent increase and eviction of tenants

⁹ Passed by the Legislative Council on 5 May 2021.

prior to the implementation of tenancy control measures, and charging tenants miscellaneous fees and charges which would make it difficult to determine the actual rent level.

46. The Administration has advised that the proposed tenancy control measures could balance law and reason, and achieve the policy objective of providing a reasonable degree of protection for SDU tenants, particularly in respect of the provision of the much needed security of tenure and prevention of unwarranted rent hikes, without unduly compromising the interests of the landlords and their property rights. So far, no massive pre-emptive rent hikes have been noticed in the SDU market.

47. Members have enquired whether disputes between SDU landlords and tenants would be arbitrated through RVD and the Lands Tribunal after the implementation of tenancy control of SDUs; whether the Administration would put in place a mediation mechanism to resolve the disputes; and whether THB, instead of the Lands Tribunal, would be responsible for dealing with the disputes that could not be resolved by mediation.

48. The Administration has advised that if the law requires the landlord and the tenant to sign a standard tenancy agreement in future, relevant government departments would enforce the requirement on the landlord and the tenant who have not signed a tenancy agreement or have entered into an agreement containing terms and conditions which are inconsistent with the standard tenancy agreement. RVD and the Lands Tribunal, etc. might need to take part in the enforcement work relating to tenancy control of SDUs, and the Administration would continue to communicate with enforcement bodies on the resources required for the enforcement of the measures.

49. Regarding members' enquiries about the resources needed for implementing tenancy control measures, the Administration has advised that it anticipates that substantial resources would be required in enforcement against contraventions and handling related disputes given the large number of SDU households in Hong Kong. RVD and the Lands Tribunal would face extra workload and would bid for additional resources if the situation warranted.

Rehousing arrangements

50. Noting that a considerable number of SDU residents are living in illegal rooftop structures, illegal domestic premises in industrial buildings and unauthorized building structures in residential buildings, and they are one of the most vulnerable groups affected by BD's enforcement actions, the

Subcommittee has taken the opportunity to review the rehousing arrangements for persons affected by Government's enforcement actions.

51. Given that relocation allowance is currently provided under CCF to occupants of illegal domestic premises in industrial buildings who have to move out as a result of the BD's enforcement action ("the Relocation Allowance"), members have enquired whether the Administration would consider providing relocation allowance to occupants of illegal rooftop structures affected by BD's operations as well. Members also consider that the social worker teams under BD responsible for rehousing matters should provide more focused and people-oriented support (including emotional support) to those affected by enforcement actions.

52. The Administration has advised that as industrial buildings are not designed for residential purposes and posed substantial safety hazards to the illegal inhabitants, the Administration would take stringent enforcement measures against the use of industrial buildings for domestic purpose. The Relocation Allowance aims to facilitate the timely relocation of the affected residents from the illegal domestic premises in industrial buildings for BD to carry out enforcement action. BD and DEVB are reviewing the scope of the Relocation Allowance and would report the findings of the review to CCF and the Commission on Poverty. Social workers teams under BD would provide support to owners and residents affected by BD's operations through family visits, counseling services and briefings on BD's operations, and referring their cases to suitable government departments for assistance.

Advice sought

53. Members of the Panel are invited to note the work of the Subcommittee.

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**Subcommittee on Issues Relating to Transitional Housing and
Subdivided Units**

Terms of reference

To study and follow up measures relating to transitional housing and subdivided units and make recommendations.

Panel on Housing

**Subcommittee on Issues Relating to Transitional Housing and
Subdivided Units**

Membership List *

Chairman Hon Vincent CHENG Wing-shun, MH, JP

Deputy Chairman Hon Wilson OR Chong-shing, MH

Members Hon Abraham SHEK Lai-him, GBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBM, GBS, JP
Hon CHAN Han-pan, BBS, JP
Hon SHIU Ka-fai, JP
Hon LAU Kwok-fan, MH, JP
Hon Tony TSE Wai-chuen, BBS, JP

(Total : 8 members)

Clerk Mr Derek LO

Legal Adviser Ms Vanessa CHENG

* Changes in membership are shown in Annex to Appendix II.

Panel on Housing

**Subcommittee on Issues Relating to Transitional Housing and
Subdivided Units**

Changes in membership

Member	Relevant date
Hon CHAN Han-pan, BBS, JP	Since 25 February 2021
Hon Alice MAK Mei-kuen, BBS, JP	Up to 7 July 2021
Dr Hon CHENG Chung-tai	Up to 25 August 2021

[According to the announcement made by the Hong Kong Special Administrative Region Government on 26 August 2021 pursuant to the Decision of the Standing Committee of the National People's Congress on Issues Relating to the Qualification of the Members of the Legislative Council of the Hong Kong Special Administrative Region, CHENG Chung-tai was disqualified from being a member of LegCo on 26 August 2021.]

Panel on Housing

**Subcommittee on Issues Relating to Transitional Housing and
Subdivided Units**

**List of organizations/individuals which/who have given views
to the Subcommittee**

1. Central & Western District Council
2. Hong Kong Subdivided Flats Concerning Platform
3. Hong Kong Unison Limited
4. MercyHK
5. Mr Evan LO
6. Mr LEUNG Tak-ming
7. Mr Michael MO, member of the Tuen Mun District Council
8. Ms WEI Siu-lik, member of the Eastern District Council
9. New People's Party
10. Path of Democracy
11. The Lion Rock Institute
12. Union for Better Rehousing Policy