

冠德苑 (前排) 、冠熹苑 (後排左) 和何文田邨 (後排右)
Kwun Tak Court (front), Kwun Hei Court (back, left) and Ho Man Tin Estate (back, right)



完善階梯 惠及市民
**Planning for a More
Inclusive Housing Ladder**

Hong Kong is the world's most expensive housing market, and this has impacted the ease with which individuals can get on, and move up, the housing ladder. To enhance Hong Kong's housing ladder and make it more inclusive, a number of policies and schemes have been put in place to address the housing needs of families in different income brackets. For its 2018/19 Annual Report, the Hong Kong Housing Authority (HA) has selected "*enhancement of the housing ladder*" as part of its theme to emphasise the important role it is playing in this respect. Our efforts over the past year to make more affordable housing available to those with the most pressing housing needs have been both practical and forward-looking. In this chapter, we survey the processes and timeframes we are working by to make more affordable housing available, the schemes we run to provide easier access to the housing ladder, and the initiatives we implement to ensure that our existing housing resources are operating optimally and are not subject to abuse.

As at the first quarter of 2019, the HA was providing public rental housing (PRH) units to approximately two million people, or around 28% of Hong Kong's population. It was also developing and offering for sale a large number of subsidised sale flats (SSFs), including those provided under [the Home Ownership Scheme \(HOS\)](#) and [the Green Form Subsidised Home Ownership Scheme \(GSH\)](#), to help low to middle-income families achieve home ownership.

Our Long-term Housing Goals

The fundamental solution to Hong Kong's imbalance of housing supply and demand is to increase the supply of housing, including public housing. Achieving this has been a major priority of the Government over recent years. In December 2018, the Government announced in its Long Term Housing Strategy Annual Progress Report 2018 the total housing supply target of 450 000 units for the 10-year period from 2019/20 to 2028/29. It also revised the public/private split of new housing supply from 60:40 to 70:30, making the supply targets for public and private housing 315 000 units and 135 000 units respectively for this 10-year period.

The Government has identified land that, assuming it can be delivered on time for housing development, would enable the construction of about 248 000 public housing units within the above 10-year period. This still lags behind the public housing supply target of 315 000 units. To address this, the HA continues to work closely with relevant government bureaux/departments to ensure that sites and their supporting infrastructure are made available in the timeliest manner. In addition, we are enlisting support from stakeholders, and using our planning expertise to optimise the development potential of each public housing site identified. We are also doing what we can to speed up the rate of public housing construction as far as practicable to help meet the Government's public housing supply target.

Public housing developments in Tung Chung



We estimate that, under the HA's rolling five-year Housing Construction Programme as at March 2019, we should be able to build a total of around 97 800 units in the five-year period from 2018/19 to 2022/23, made up of around 73 200 PRH/GSH units and 24 600 Other SSFs¹. Details of the projects completed in 2018/19 can be found in Chapter 2 of the Business Review of this report.

Allocating PRH Units Efficiently and Fairly

In 2018/19, the HA allocated around 26 900 PRH units to general applicants (i.e. family and elderly one-person applicants) and to non-elderly one-person applicants under the Quota and Points System (QPS), making up of about 19 600 newly-built units and about 7 300 refurbished units.

In line with the HA's objective to provide PRH to low-income families who cannot afford private rental accommodation, we aim to provide the first flat offer to general applicants at around three years on average. However, due to the current strong demand for PRH, as at the end of March 2019, the average waiting time² for general applicants who had been housed in the previous 12 months was 5.5 years. Within this group, the average waiting time for elderly one-person applicants was 2.9 years. The HA is continuing to pour its efforts into building more PRH units and better utilising its existing housing resources in order to shorten the waiting time for applicants.

We endeavour to speed up constructing public housing for eligible families



¹ Other SSFs under HA mainly include HOS units.

² Waiting time refers to the time between registration for PRH and first flat offer, excluding any frozen periods during the application period (e.g. when the applicant has not yet fulfilled the residence requirement; the applicant has asked to have his/her application put on hold pending the arrival of family members for family reunion; the applicant is imprisoned, etc.). The average waiting time for general applicants refers to the average waiting time of general applicants housed in PRH in the past 12 months.

In view of the limited PRH resources, the HA's policy is to accord a higher priority to family and elderly applicants than to non-elderly one-person applicants under QPS in the allocation of PRH units. The number of PRH units available for allocation to the latter group is subject to an annual quota; and allocation priority is determined by a points system based on an applicant's age at the time of application, waiting time, and whether he or she is currently living in PRH. The target of providing the first flat offer at around three years on average does not apply to QPS applicants.

Rent Policies and Rent Assistance

PRH rents are subsidised for the benefit of low-income PRH tenants, and include rates, management fees, and maintenance costs. As at the end of March 2019, the average monthly rent for a PRH unit was approximately \$2,070, with the actual rents charged in different estates across Hong Kong ranging from \$380 to \$5,159 per month.

Poster to publicise our Rent Assistance Scheme



The HA operates a [Rent Assistance Scheme](#) for tenants experiencing temporary financial difficulties affecting their ability to pay rent. The scheme provides eligible tenants with a rent reduction of 25% or 50% depending on their household income. As at the end of March 2019, around 18 460 households were receiving assistance under this scheme, which is advertised via channels such as the Housing Channel, radio, YouTube, the iHousing app, our HA/Housing Department website, and in posters, leaflets and Estate Newsletters. Sometimes, households are also referred for assistance under this scheme by non-governmental organisations, local District Councils and [Estate Management Advisory Committees](#) (EMACs).

“Harmonious Families” Initiatives

The HA’s “Harmonious Families” schemes include [the Harmonious Families Priority Scheme](#), [the Harmonious Families Transfer Scheme](#), the Harmonious Families Addition Scheme, and the Harmonious Families Amalgamation Scheme. All of these are designed to foster family cohesion and establish strong family-based support networks in support of extended family living arrangements and “ageing in place”.

Of these four schemes, the Harmonious Families Priority Scheme caters for PRH applicants. It encourages young families and their elderly parents or elderly dependent relatives to opt to live together in the same flat in any district, or separately in two nearby flats in a non-urban district. Eligible applications enjoy a six-month period of priority processing over applications submitted by ordinary families.

The other Harmonious Families schemes are there to help sitting PRH tenants. The Harmonious Families Transfer Scheme enables tenants with children or elderly parents living in a PRH estate in a different District Council district to apply for transfer to the estate where their children or elderly parents are living, or to one nearby. The Harmonious Families Addition Scheme allows elderly PRH tenants to add one of their adult offspring, together with his or her family members, to the tenancy. This is subject to the rule of “one-line continuation” (i.e. it does not allow the addition of a branch family if there is already an adult offspring in

the tenancy, or the addition of an adult offspring when there is already a branch family in the tenancy); further, the whole family must pass a comprehensive means test and domestic property test. If young families and their elderly parents or elderly dependent relatives are living separately in two PRH units, the Harmonious Families Amalgamation Scheme allows them to apply for amalgamation of their tenancies. Subject to the availability of resources, the amalgamated family can move to a PRH unit in any district of their choice.

The number of households benefiting from these schemes in 2018/19 is listed below:

Harmonious Families Schemes	Number of households benefiting (approximate)
Priority Scheme	2 840
Transfer Scheme	190
Addition Scheme	2 760
Amalgamation Scheme	70

Various “Harmonious Families” schemes facilitate young families and their elderly parents to live together or nearby to enjoy better family life



Transfer Schemes to Improve Living Quality

To manage the issue of overcrowding, the HA runs an annual Territory-wide Overcrowding Relief Exercise together with the Living Space Improvement Transfer Scheme. These respectively encourage PRH tenants living in flats with less than 5.5 and 7 square metres of Internal Floor Area (IFA) per person to apply for relocation to larger accommodation. In 2018/19, about 1 400 households benefited from the two schemes.

Fighting Tenancy Abuse

To ensure PRH resources are allocated to those with more pressing needs, checking of the eligibility of both PRH applicants and sitting tenants is essential. In 2018/19, all income and asset declarations received under the Well-off Tenants Policies (WTP)³ and various other tenancy management policies (around 230 000 individual cases) were carefully checked. The checks helped determine the correct rent levels to be charged for individual households, as well as confirming the eligibility of tenants to continue occupying a subsidised PRH unit.

To optimise the use of PRH resources, the HA has implemented the revised WTP since the declaration cycle beginning in October 2017. The HA continues to keep in view the effectiveness of these policies to ensure effective use of PRH resources.

We have adopted an effective three-pronged approach to curb tenancy abuse. The first prong involves the carrying out of daily estate management measures and the conducting of biennial flat inspections by estate staff to detect tenancy abuse. As the second prong, we have a dedicated Central Team tasked with handling tenancy abuse cases. The Central Team works on randomly selected cases as well as cases referred by frontline management or reported by members of the public. An additional sub-team within the Central Team was set up to enhance enforcement actions against tenancy abuse. This year, the Central Team checked on around 6 600 occupancy-related cases and 6 000 income and assets declarations. Meanwhile, the HA's Special Team set up to investigate the abuse of PRH resources has had its remit extended for a further three years, up until the end of 2020/21.

This year, the Special Team continued to investigate occupancy-related cases, including non-occupation, sub-letting, unauthorised occupation and use of premises for illegal activities.

Finally, we devote great efforts to education through a series of publicity and educational programmes, to raise public awareness about the rational use of PRH resources. This year, these have included road shows that visited 35 PRH estates, taking the form of a promotion truck with an exhibition and games. We also visited meetings of EMACs to enlist their support in combatting tenancy abuse and to encourage reporting of abuse. Making use of TV publicity, during the year, TV mini-series programmes on the "Fight Tenancy Abuse" theme were broadcast on local TV channels. Other publicity initiatives included placing outdoor billboard advertisements at the entrances/exits of various vehicle tunnels, running advertisements on public transport, distributing thematic report aerogrammes to all tenants, posting publicity posters and banners in estates, and engaging in regular publicity through Estate Newsletters, radio messages and video broadcast on the Housing Channel.

Fight Tenancy Abuse Campaign activity at Fu Tung Estate



³ The HA's Housing Subsidy Policy and the Policy on Safeguarding Rational Allocation of Public Housing Resources are commonly referred to as WTP.

Revised SSF Pricing Mechanism

The Chief Executive announced a revised HOS pricing policy in June 2018. Under the revised policy, HOS flats are now priced at an affordable level which is no longer linked to market price, but to the median income of non-owner occupier households. The GSH and the “Starter Homes” Pilot Scheme will also be priced according to an adjusted discount based on the preceding HOS sale exercise.

Home Ownership Scheme

The HOS is a subsidised housing scheme under the HA that addresses the home ownership aspirations of low to middle-income families. It also provides an avenue for better-off PRH tenants to achieve home ownership, thereby releasing their flats to those in more pressing need. The fourth batch of 4 431 new HOS flats, scheduled for completion between 2018/19 and 2020/21, was put up for sale at the end of March 2018. Applications were re-opened in October 2018 following the announcement of the new HOS pricing policy, and flat selection for successful applicants commenced in February 2019. The fifth batch of 4 871 new HOS flats will be put up for sale in May 2019.

Green Form Subsidised Home Ownership Scheme

The HA regularised the GSH in January 2018 to provide an alternative avenue for Green Form applicants to achieve home ownership. GSH flats are sold at a discount of 10% more than that determined for the preceding HOS sale exercise. The Sale of GSH Flats 2018 exercise, involving 2 545 flats, was launched in December 2018, and flat selection for successful applicants commenced in March 2019. For the Sale of GSH Flats 2019 exercise, in March 2019, the HA decided to convert two PRH developments for sale by the end of 2019, one in Chai Wan Road, in Chai Wan and the other in Tsing Hung Road in Tsing Yi. The two developments are expected to provide around 3 700 GSH flats.

White Form Secondary Market Scheme

The HA regularised the [White Form Secondary Market Scheme](#) (WSM) in November 2017. Under WSM 2018, the HA issued around 2 400 Certificates of Eligibility to Purchase to successful applicants. As at 31 March 2019, about 920 Letters of Nomination had been issued to these applicants. In March 2019, the HA endorsed to increase the annual quota for WSM 2019 from 2 500 to 3 000. WSM 2019 will be launched together with the Sale of HOS Flats 2019 in May 2019.

The HOS helps low to middle-income families own their homes

