

Housing Authority Revises Vacant Flat Refurbishment Allowance Scheme

The following is issued on behalf of the Hong Kong Housing Authority:

The Hong Kong Housing Authority (HA)'s Subsidised Housing Committee (SHC) endorsed today (August 27) a proposal to revise the scope and amount of the Vacant Flat Refurbishment Allowance (VFRA).

The revised allowance scheme will take effect in the fourth quarter of 2024. Under the new scheme, the scope of the VFRA will be expanded to all vacant units regardless of the age of the property. If prospective tenants choose to participate in the scheme, an allowance equivalent to a standard 3-month rent will be provided.

A spokesman for the HA said the VFRA aims at providing all prospective tenants of public rental housing (PRH) flats with an option for a one-off cash allowance to supplement their own renovation. With more PRH tenants purchasing subsidised sale flats and the Housing Department (HD)'s stepped-up efforts to combat tenancy abuse of PRH flats, the HD will need to deal with more vacant flats in the future. The revised VFRA Scheme enables the HD and its refurbishment contractors to reallocate resources more effectively to meet the challenge in dealing with the increasing number of vacant flats in the future. Prospective tenants can also use the allowance flexibly to make arrangements that better suit their families' needs.

Under the current arrangement, prospective tenants who have chosen the VFRA should handle (1) painting and related works, and (2) minor repairs (e.g. repair kitchen/toilet/balcony doors, frames and ironmongeries) on their own; and assume the maintenance responsibility of the minor repairs within one year after receiving the allowance. Given the increasing trend in choosing the VFRA, while many tenants expressed that they have certain difficulty in arranging the minor repairs on their own within the one year period, which may lead to delays in repairs; as well as the fact that the HD will eventually take up the maintenance responsibility of the minor repairs upon expiry of the one-year restriction, the HD will include the minor repairs into its scope of vacant flat refurbishment works under the new schemes. Prospective tenants who choose the VFRA in the future will only need to handle painting and related works for their own flats. It is expected that setting clearer and more standardised maintenance responsibilities will achieve better maintenance more effectively, and further enhance the quality of existing PRH flats.

"The current policy of not granting the VFRA to prospective tenants of Interim Housing will continue be maintained. In addition, with a view to ensuring cost-effective use of resources, the VFRA is not applicable to domestic blocks that have already been announced for clearance and vacant flats that have been refurbished before flat allocation." the spokesman said.

According to the current policy, the VFRA Scheme is only applicable to vacant flats aged less than 21 years. From 2021/22 to 2023/24, approximately 74 per cent of prospective tenants chose the VFRA each year.