

LCQ12: Combating abuses of public rental housing resources

Following is a question by the Hon Kenneth Lau and a written reply by the Secretary for Housing, Ms Winnie Ho, in the Legislative Council today (November 20):

Question:

On combating abuses of public rental housing (PRH) resources, will the Government inform this Council:

(1) of the following information on cases of combating the abuse of PRH units by the Housing Department (HD) in the past two years :

- (i) the number of reports received;
- (ii) the number of cases investigated on the HD's initiative;
- (iii) the number of substantiated cases and the percentage of such number in the total number of PRH tenants in Hong Kong; and
- (iv) the total amount of assets concealed by PRH tenants who abused their tenancy;

(2) among the substantiated cases of abuse of PRH units mentioned in (1)(iii), of the respective numbers of the various abuses of PRH units (including non-occupation of flats, subletting of flats, engaging in illegal activities inside flats and making false declarations on assets, etc.), as well as the respective numbers of tenants who had their PRH units forfeited, were prosecuted, and were sentenced to a fine or imprisonment in each year;

(3) of the distribution of PRH units recovered in the past five years due to tenancy abuse and breach of tenancy agreement or housing policies (set out by the 18 districts across the territory);

(4) as it has been reported that last year, the HD required, for the first time and on a large scale, PRH tenants with admission to PRH for two years or more to declare their assets, and that it also required well-off PRH tenants to do so in April this year, of the respective numbers of PRH units recovered by the HD after these two rounds of declarations (including those surrendered by tenants voluntarily);

(5) given that since the middle of last year, the HD launched a data matching and verification mechanism with the Land Registry to check if PRH tenants own domestic properties in Hong Kong, of the Government's similar specific measures in place to follow up and prevent PRH tenants from making false declarations on income or total household assets, as well as owning properties in the Mainland or overseas;

(6) given that the Hong Kong Housing Authority will launch the "Cherish Public Housing Resources Award Scheme" (Award Scheme) in January next year,

and by then non-anonymous informants who provide concrete intelligence that leads to successful recovery of abused PRH flats will be awarded a cash reward of \$3,000 and a certificate of appreciation, how the authorities will ensure the confidentiality and prevent the leakage of information relating to the non-anonymous informants; whether the authorities will stop dealing with anonymous reports after the implementation of the Award Scheme; and

(7) how the authorities will strike a balance in the implementation of the relevant policies after the launch of the Award Scheme, so as to avoid a backstabbing culture among neighbours and undermining neighbourhood relationship?

Reply:

President,

The consolidated reply to the questions raised by the Hon Kenneth Lau is as follows:

The Hong Kong Housing Authority (HA) has all along adopted multipronged and risk-based measures, including prevention, detection, investigation, publicity, education, etc., to combat abuse of public rental housing (PRH) on all fronts. Apart from gathering information on suspected PRH tenancy abuse through complaints or reports, estate management staff detect tenancy abuse and verify whether there are false declarations through daily estate management (including conducting regular home visits to check the occupancy status of tenants and vetting various applications and declarations submitted by tenants). Suspected tenancy abuse identified will be referred to the Public Housing Resources Management Sub-section (PHRM), the central dedicated team of the Housing Department (HD), for investigation. Moreover, PHRM also conducts in-depth investigation of random cases with higher chance of PRH tenancy abuse.

All in all, the HD identifies or are informed of suspected PRH tenancy abuse cases through various means, including reports from the public, findings from daily estate management work, home visits and patrols by frontline staff, as well as random inspection of high-risk suspected cases. While the HD does not collate or analyse the number of tenancy abuse cases detected from public reports or other sources, broadly speaking, there are two types of information sources, namely proactive investigation by PHRM and by referral. Regardless of the information sources, the HD will conduct thorough investigation into PRH tenancy abuse cases in the same manner. Regarding the types of PRH tenancy abuse, given the possibility of multi-fold breaches (such as rent arrears and non-occupation at the same time) as well as the complexity involved, the HD classifies the cases broadly under two categories: (i) occupancy status-related and (ii) income and asset declaration-related. Tenancy abuse cases related to occupancy status mainly include non-occupation, occupancy by unauthorised persons, non-domestic usage, voluntary surrender of PRH flats by the households concerned, tenancy abuse investigations triggered by rent arrears or death of the tenant, etc.

To effectively apply information technology to assist the administrative and monitoring work and to tie in with the Cherish Public Housing Resources Award Scheme to be launched in January 2025, the HD has taken forward the development of a new information technology system this year for combating PRH tenancy abuse to facilitate case follow-up and data analysis.

The numbers of cases investigated by the HD in the past two years (i.e. from 2022/23 to 2023/24) after obtaining sufficient information are as follows:

Year	(a) No. of Investigation Cases Initiated by PHRM [^] (approximate number)	(b) No. of Referral Cases (including Reports/Complaints) [^] (approximate number)	(c) No. of Households required to Make Declarations (approximate number)	Percentage of Cases Investigated After Obtaining Sufficient Information to No. of Households required to Make Declarations [(a)+(b)] / (c)	Percentage of Cases Investigated After Obtaining Sufficient Information to Total No. of PRH Households in Hong Kong (about 800 000 households)
2022/23	9 400	5 600	250 000	6%	1.88%
2023/24	11 800	4 300	310 000*	5.2%	2.01%

[^] Number of cases investigated after obtaining sufficient information

* Including over 220 000 households which were required to declare income and assets (including domestic property ownership in Hong Kong, if any) under Well-off Tenants Policies in April 2023; and about 88 000 households who had resided in PRH for two to eight years as the first batch to declare occupancy status and domestic property ownership in Hong Kong, if any, in October 2023.

The types and numbers of cases investigated as mentioned above are as follows:

Year	(a) Occupancy Status-related (approximate number)	(b) Income and Asset Declaration-related [@] (approximate number)	Total (a)+ (b)
2022/23	6 800	8 200	15 000
2023/24	8 400	7 700	16 100

[@] The HD does not keep statistics on the total income/total amount of assets concealed by the tenants concerned.

In the past two years, the HA recovered about 2 200 and 2 800 PRH flats respectively arising from PRH tenancy abuse and breach of tenancy agreement or housing policies. In total, 5 000 units were recovered in these two years in view of tenancy abuse and breach of tenancy agreement or housing policies,

equivalent to building a medium-sized housing estate like Chun Yeung Estate. The results are prominent. In 2024, as at end September, there were already about 1 400 flats recovered in view of tenancy abuse and breach of tenancy agreement or housing policies.

In the past two years, there were 389 cases prosecuted for contravening the Housing Ordinance, 344 cases of which were convicted, and seven tenants were sentenced to imprisonment (including suspended sentences). The two cases of which received the heaviest sentences were sentenced to immediate imprisonment for 30 days and two weeks respectively. The HA does not keep statistics on the breakdown of recovered flats due to tenancy abuse and breach of tenancy agreement or housing policies by District Council districts.

Since October 2023, the HA has rolled out a series of effective new measures, which include requiring tenants to declare their occupancy status and ownership of domestic property in Hong Kong every two years since admission to PRH. As at October 2024, among the first two batches of some 340 000 tenants who were required to make declaration (i.e. the October 2023 and April 2024 batches), a total of about 4 000 tenants have voluntarily surrendered their flats or have had their flats recovered for various reasons.

Under the Well-off Tenants Policies, households owning land/properties (including domestic and non-domestic properties) outside Hong Kong are required to declare such assets. The HD will carry out investigation on suspected cases or upon receipt of reports. The HD will enquire with the Mainland local authorities if detailed information such as a specific address in a certain province or city in the Mainland is available. In the past year, the HD has written to authorities of different provinces or cities in the Mainland and Macao, and confirmed that 16 households had concealed their ownership of properties in the Mainland when applying for PRH. Since the net asset value of the tenants concerned had exceeded the limits for PRH applications, the HA issued Notices-to-quit to them. As for PRH applicants, HA has stepped up the random checks on PRH applicants on the Waiting List regarding property ownership in the Mainland. If PRH applicants are found to have concealed their income/assets, their applications will be cancelled and they will be barred from re-applying for PRH for a period of five years. In the future, we will take a more proactive approach to enhance communication with the Mainland authorities/agencies to facilitate the gathering of information on tenants' ownership of properties in the Mainland.

The HA will launch the Cherish Public Housing Resources Award Scheme (the Award Scheme) in January next year to offer rewards to non-anonymous informants who provide concrete intelligence that leads to identification of substantiated tenancy abuse of PRH. Personal particulars of informants will be kept strictly confidential. Apart from designated the HA or HD staff directly involved in handling the Award Scheme, no other person will be informed of the identity of the informants or the source of information.

The HA has all along gathered intelligence through various channels. In

handling reports or referrals of tenancy abuse, the HD adopts the same approach irrespective of whether the case is anonymous or not. As long as there is basic information or are clues in the case enabling follow-up actions, the HD will initiate an investigation and will not miss any opportunity to combat tenancy abuse.

Regarding views that the Award Scheme may be a detriment to neighbourhood relationship, the HA believes that PRH residents would not welcome PRH abusers in their neighbourhood, as tenancy abuse would bring injustice, or even affect the living environment of PRH and bring nuisance. In order to reduce abuse of reporting and ensure the accuracy of the information provided, informants participating in the Award Scheme must make non-anonymous reports and be interviewed by dedicated personnel. In fact, the Award Scheme is generally supported by the community. It is believed that the Award Scheme can play an encouraging role and enhance the awareness of the need to cherish resources and the effectiveness of combatting PRH tenancy abuse.