

LCQ14: Declaration of ownership of properties outside Hong Kong by public rental housing applicants and tenants

Following is a question by the Hon Chan Chi-chuen and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (February 20):

Question:

Applicants for public rental housing (PRH) are required, if they themselves or their family members own properties outside Hong Kong, to declare so. Under the "Well-off Tenants Policies", PRH tenants likewise are required, if they own such properties, to declare so. It has been reported that quite a number of new arrivals from the Mainland concealed the ownership of properties on the Mainland when applying for PRH and they, upon being allocated a PRH unit, reside on the Mainland on a long-term basis. In this connection, will the Government inform this Council:

(1) of (i) the number of new applicants for PRH who declared that they owned properties outside Hong Kong, (ii) the number of reports received by the Housing Department (HD) regarding PRH applicants concealing the ownership of this type of properties, (iii) the respective numbers of concealment cases uncovered upon receipt of reports and upon investigations initiated by HD, and (iv) the respective numbers of cases in which applicants were prosecuted and convicted for concealing the ownership of this type of properties, in each of the past three years; if HD did not initiate any investigation, of the reasons for that;

(2) of (i) the number of PRH tenants who declared that they owned properties outside Hong Kong, (ii) the number of reports received by HD regarding tenants concealing the ownership of this type of properties, (iii) the respective numbers of concealment cases uncovered upon receipt of reports and upon investigations initiated by HD, and (iv) the respective numbers of cases in which tenants were prosecuted and convicted for concealing the ownership of this type of properties, in each of the past three years; if HD did not initiate any investigation, of the reasons for that; and

(3) whether HD will adopt measures (e.g. setting up a dedicated investigation team) to take the initiative to investigate and verify if PRH applicants and PRH tenants own this type of properties; if so, of the details; if not, the reasons for that?

Reply:

President,

My consolidated reply to the question raised by the Hon Chan Chi-chuen

is as follows.

Public rental housing (PRH) is precious social resources. To ensure that PRH will be allocated to those with genuine needs, PRH applicants are obliged to declare all the information as required, including all assets (such as properties) owned by them in and outside Hong Kong in a true and accurate manner. Moreover, they are required to make a declaration that all the particulars furnished are true and correct. It is a criminal offence under the Housing Ordinance to provide false information and make a false statement. The PRH applicants concerned will have their applications cancelled and may be liable to prosecution. The Hong Kong Housing Authority (HA) conducts regular case reviews, random checks and data matching with other Government departments and organisations.

Starting from July 2017, HA has put in place a new computer system for processing PRH applications which records certain statistical data. As at December 2018, HA had received about 120 PRH application cases with declarations of ownership of premises/properties (including domestic properties, shops, parking spaces, etc. in and outside Hong Kong). The system, however, does not maintain a breakdown of premises/properties in and outside Hong Kong. Before July 2017, HA did not maintain statistics of asset items by types.

Apart from initiating random checks, upon receipt of reports of suspected concealment of information (including income, assets, family status, etc.) in PRH applications, HA will carry out in-depth investigations into those cases with reasonable grounds to suspect. In the past three years, HA had received about 380 reports relating to PRH applicants' concealment of information, and had initiated random checks on about 1 800 PRH application cases. Among such cases, about 50 cases involved the concealment of ownership of properties outside Hong Kong. There were four cases in which the offenders were successfully prosecuted and convicted.

Regarding PRH tenants, under the prevailing "Well-off Tenants Policies", PRH tenants who have been living in PRH for ten years are required to make a declaration biennially. Also, households who are granted a new tenancy under the Policy on Grant of New Tenancy (Note 1) and those who have their applications approved under the Tenancy Management Policies for PRH (Note 2) are also required to make a declaration biennially under the "Well-off Tenants Policies", regardless of their length of residence. Each year, over 250 000 households are required to make declarations under the "Well-off Tenants Policies". HA does not maintain detailed statistics classified by whether the properties declared by the PRH households are in or outside Hong Kong.

To make good use of public housing resources, HA is committed to combating tenancy abuses and is taking stringent action against all tenancy abuse cases. HA also conducts random checks on the information declared by PRH tenants. In case of doubt or complaints, HA will conduct in-depth investigations, and consult institutions both in and outside Hong Kong when necessary.

In the past three years, HA has received on average about 4 000 complaints related to tenancy abuse each year, and has conducted about 6 000 random checks on the income and assets declarations (Note 3) each year. HA does not maintain statistics on PRH tenants concealing properties outside Hong Kong. In the past three years, there were no prosecution cases by the Housing Department regarding PRH tenants concealing their properties outside Hong Kong.

Note 1: According to the Policy on Grant of New Tenancy, upon the death or moving out of a principal tenant, if there is no surviving spouse, a new tenancy may be granted to other authorised family members living in the PRH unit, provided that the prescribed limits and the requirement of not owing any domestic property in Hong Kong under the "Well-off Tenants Policies" are fulfilled.

Note 2: For example, the Territory-wide Overcrowding Relief Exercise and Living Space Improvement Transfer Scheme, Transfer of Tenants Occupying Converted One-person Flats, addition of family members, household splitting and housing arrangements for divorced couples in PRH units, etc.

Note 3: Including PRH applications.