

Executive Summary Direct Investigation Report

Allocation Mechanism of Ward Offices under Housing Department

Introduction

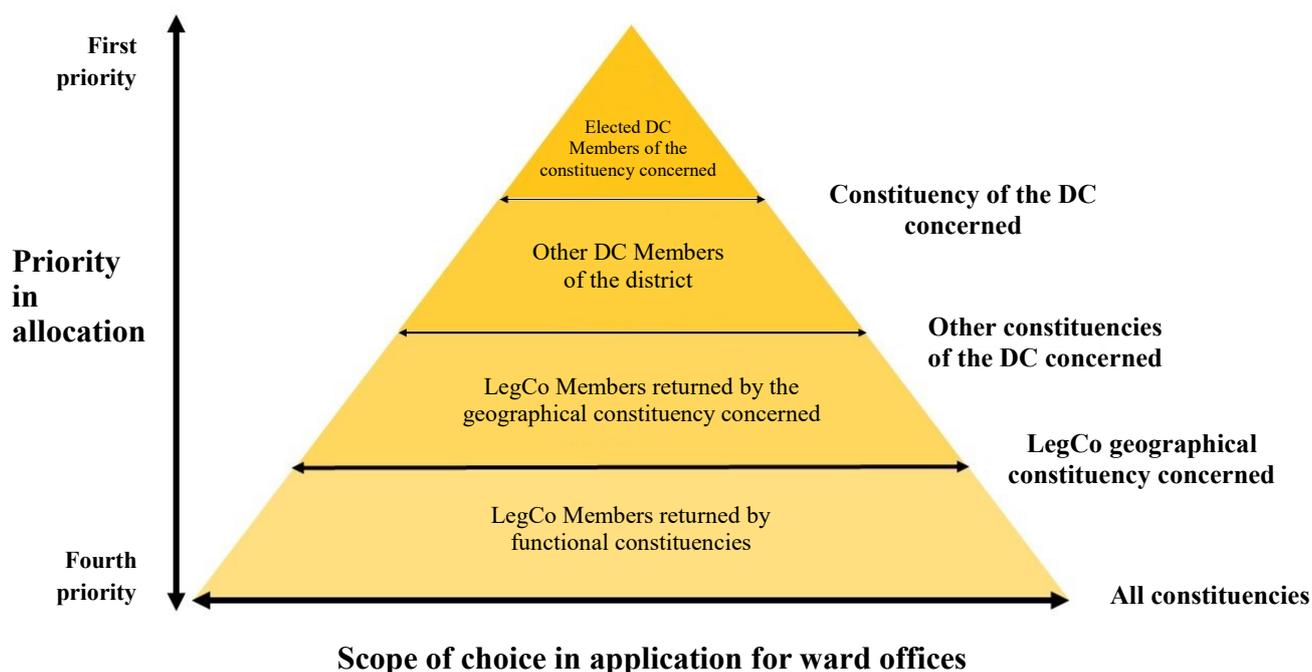
The Housing Department (“HD”) has provided suitable premises in its public residential housing (“PRH”)/residential estates to District Council (“DC”) and Legislative Council (“LegCo”) Members for lease as offices (“ward offices”). HD has established an order of priority and put in place an allocation mechanism for the fair allocation of ward offices in those PRH/residential estates to Council Members of different priority categories.

2. This Office has received comments from individual Council Members, criticising HD’s current allocation mechanism as being unfair. While some Council Members have not been allocated any ward office, some other Council Members who are already sitting tenants can still lease an additional ward office by virtue of their higher priority status. As a result, Council Members of lower priority categories could hardly be allocated a ward office.

Our Findings

Leasing and Allocation Mechanism

3. HD allocates ward offices to eligible DC or LegCo Members according to the following order of priority and scope of choice:



4. HD indicated that each DC Member may only lease one ward office with a maximum area of 35 square metres. For LegCo Members, in view of their relatively bigger constituencies and wider scope of service, they are allowed to lease multiple ward offices, but the aggregate area should not exceed 140 square metres. HD also allows Council Members to share one ward office as joint tenants.

Leasing and Allocation Status

5. Figures provided by HD show that as at 31 December 2018, there were 334 ward offices in 189 PRH/residential estates under the Department. During the four years between 2015 and 2018, the number of ward offices had increased by 21 (about 6.7%). As at 31 May 2019, the leasing rate of ward offices exceeded 96%, and there were still 13 vacant ward offices available for lease by Council Members.

6. Upon commencement of the current terms of DCs/LegCo,¹ the number of Council Members of different priority categories who applied for leasing ward offices, and the number of Council Members who were allocated ward offices are tabulated as follows:

¹ The current terms of DCs and LegCo commenced on 1 January and 1 October 2016 respectively.

	First priority	Second priority	Third priority	Fourth priority
No. of applicants	193	71	29	12
No. of Council Members who were allocated ward offices				
New allocation	53	33	13*	4^
Renewal upon re-election	140	24	12	7
Total	193 (100%)	57 (80%)	25 (86%)	11 (92%)

The figures above include all sole and joint applications. Figures in brackets represent the percentages of successful allocation.

* Four LegCo Members were simultaneously applying for new allocation and renewal of tenancy upon re-election, and were thus excluded from the number of renewals upon re-election.

^ One LegCo Member was simultaneously applying for new allocation and renewal of tenancy upon re-election, and was thus excluded from the number of renewals upon re-election.

7. The table above shows that DC Members of the first priority category would certainly be allocated a ward office because of their highest priority status. For Council Members of other priority categories, the successful allocation rates were as high as 80% or above. Furthermore, the successful allocation rate of the fourth priority category was higher than those of the second and third priority categories.

8. HD stated that in the current term of LegCo, there were three ward offices which had attracted applications for lease only from LegCo Members of the third and fourth priority categories at the same time. All those three ward offices were eventually allocated to LegCo Members of the third priority category, with only one of them being a sitting tenant of a ward office in a PRH estate elsewhere. Moreover, the unsuccessful applicant of the fourth priority category in those three cases was the same LegCo Member returned by functional constituency, who was in fact a sitting tenant of another HD's ward office. Hence, there was no such case as a LegCo Member of the third priority category being allocated an additional ward office and taking priority over those of the fourth priority category who have not leased any ward office under HD.

9. Furthermore, HD had sought views separately from LegCo/DC Members of different political parties on the proposal of according higher priority to those Council Members who have not been allocated any ward office. Nevertheless, the views collected were unanimously against such a proposal. This shows a lack of consensus among Council Members on the proposal.

Joint Tenancy and Problem of “Inheritance of Tenancy”

10. On the other hand, we had received complaints from Council Members about the joint tenancy of ward offices. In short, if Council Member A added Council Member B as a joint tenant before terminating the tenancy upon expiry of his/her term of office or for whatever reasons, Council Member B might continue leasing the ward office, provided that the area of the premises did not exceed the space allocation limits. That would indeed allow the sitting tenant to choose a Council Member to inherit the tenancy of his/her ward office, thereby circumventing HD’s allocation mechanism.

11. We are pleased to learn that HD, in response to our recommendations, has revised the arrangements for leasing ward offices to Council Members under joint tenancies, by categorising the joint tenants of a ward office into primary and secondary tenants. It is stipulated that if the primary tenant is not re-elected upon expiry of his/her term of office or moves out before the tenancy ends, the secondary tenant can only retain the ward office until the end of his/her term of office, provided that the area of the premises does not exceed the space allocation limits. HD will subsequently resume the ward office and start the open application procedures. This can prevent the problem of “inheritance of tenancy” from recurring.

Our Comments

12. Overall, we agree that it is necessary for HD to set an order of priority and establish an allocation mechanism so as to allocate ward offices to Council Members in a fair and just manner. After scrutinising the information provided by HD, we consider that its existing allocation mechanism has taken into account the needs and limitations of Council Members of different priority categories, and the allocation arrangements are, by and large, appropriate. Nonetheless, HD should continue to review in a timely manner the arrangements for allocating ward offices and make revisions where necessary.

13. We also understand that Council Members of different priority categories hope to set up one or even multiple ward offices in PRH/residential estates under HD to serve the public. However, HD only added a small number of new ward offices in its PRH/residential estates in the past few years. In the long run, HD should continue to study ways to increase the supply of ward offices as far as practicable so that more Council Members can set up service points in HD's PRH/residential estates.

14. Apart from increasing the supply of ward offices, HD should also continue to review regularly the situation of vacant ward offices, and actively study the feasibility of putting those ward offices found to have been vacant for a long period to other uses for better utilisation of resources.

**Office of The Ombudsman
December 2019**