

SOCIAL IMPACT TRACKING STUDY

on

Hai Tan Street / Kweilin Street and Pei Ho Street Development Scheme

Executive Summary

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Study Background

1. In March 2009, the Urban Renewal Authority (URA) commissioned the Term Consultancy Team of the Department of Social Work and Social Administration (SWSA) at The University of Hong Kong (HKU) to conduct a Social Impact Tracking Study on the Hai Tan Street/Kweilin Street and Pei Ho Street Development Scheme.
2. The study targets included the residents and business operators in the Shamshuipo area located along Hai Tan Street between Yen Chow Street and Nam Cheong Street and north of Tung Chau Street. The study area comprises Nos. 169-203 (odd numbers) and 216-222 (even numbers) Hai Tan Street, Nos. 7-23 (odd numbers) Kweilin Street, Nos. 1-14 Pei Ho Street, and Nos. 230-250 (even numbers) Tung Chau Street. The total project area is approximately 7,740 sq. meters. The Development Scheme commenced on 17 February 2006 and acquisition offers were first made on 3 September 2008.

Methodology

3. The study adopted the quantitative method to examine the social impact of redevelopment on the affected households and business operators in the study area. A three-stage study was proposed by the HKU Term Consultancy Team to URA. The number of affected households and operators in the Hai Tan Street/Kweilin Street and Pei Ho Street area was relatively small and a population survey involving all the households and operators was therefore proposed to obtain representative results. The subjects of the study were divided into four strata; 1) domestic tenants, 2) domestic owner-occupiers, 3) non-domestic tenants, and 4) non-domestic owner-operators. The HKU Term Consultancy Team was engaged in the design of the study and questionnaires, the analysis of data, and compiling the report, while Policy 21 Limited was responsible for the collection and tabulation of data.
4. The fieldwork of the baseline study (T1) was completed in late August 2009 and the initial response rate of the study was 98.3% (175 successful cases). The 'First tracking' study (T2) was conducted to collect information related to the initial conditions of the respondents after they had moved to their new homes. However, many of the households and business operators did not move immediately after accepting the acquisition or compensation offered by the URA and some of them were still staying in their units in the affected area till the end of the study. Besides, quite a number of the interviewed households and operators could not be reached after the baseline study. The response rate in T2 was modest (44.6%). Only 78 interviews were successfully conducted. By late September 2010, 73 interviews were successfully conducted in the 'Second tracking' study (T3) with a response rate of 93.6%. The response rates of all three rounds of interviews are presented in the table below.

Sample size for Hai Tan Street/Kweilin Street and Pei Ho Street development Scheme tracking study

Sample size		Baseline study (T1)		
Stratum		Received consents	Completed Cases	Response Rate
Domestic	Owner	28	28	100%
	Tenant	121	120	99.2%
Non-domestic	Owner	5	4	80.0%
	Tenant	24	23	95.8%
Total		178	175	98.3%
		First tracking study (T2)		
Stratum		Received consents	Completed Cases	Response Rate
Domestic	Owner	28	16	57.1%
	Tenant	120	52	43.3%
Non-domestic	Owner	4	1	25.0%
	Tenant	23	9	39.1%
Total		175	78	44.6%
		Second tracking study (T3)		
Stratum		Received consents	Completed Cases	Response Rate
Domestic	Owner	16	15	93.8%
	Tenant	52	49	94.2%
Non-domestic	Owner	1	0	0%
	Tenant	9	9	100%
Total		78	73	93.6%

5. On top of the survey, a desktop study based on market information available to the public has been conducted by URA. 28 sample transactions were identified to match records of owner-occupiers within the project. Data such as the location, age, size and value of 28 new properties were then compared with the owner-occupiers' previous properties in the redevelopment project area to examine the impact of redevelopment on these households and the adequacy of the compensation obtained from the URA. In order to protect personal privacy, all personal data were removed when the information was passed to the research team.

Survey Findings

6. In the tracking study, 73 respondents had completed all three rounds of interviews. Among the respondents, there were 64 residents (owner: 15; tenant: 49), and 9 business operators (owner: 0; tenant: 9). Owner-occupiers, on average had been living in the study area for a longer period of time than tenants. A very high percentage of respondents were still living in Shamshuipo or nearby areas after moving out of the redevelopment area.

Domestic Tenants and Owner-occupiers

7. The impact of redevelopment on employment was mild to the respondents. The percentage of respondents being employed was slightly lower among both domestic tenant and owner-occupier groups in T2, but the percentage became slightly higher in T3. The percentage of CSSA recipients increased slightly among the respondents in T2 then dropped back to T1 level in T3 (T1: 30.3%, T2: 34.0%; T3: 29.5%). Besides, there was not much change when we tracked the location of work or study of individual respondents.

8. Among the domestic tenants, 53.8% of the respondents moved to public housing provided by the Housing Authority upon relocation in T2. Around half of the tenants moved to newer flats with building age less than 10 years after relocation. However, around three quarters of the owner-occupiers moved to buildings of 30 years of age or more. The new homes for both tenants and owner-occupiers were better managed than their old ones. For instance, the majority of the new buildings had residents or owners' organizations, and had employed security guards.

9. The percentage of domestic tenants staying in units less than 26 sq. meters was much lower in the T2 than in T1 (T1: 80.6%, T2: 44.0%). While tenants on average moved to more spacious homes, there was not much difference in the average size of units of owner-occupiers before and after relocation. As a whole, the overall average rental payment was increased by \$300 only.

10. Looking at the tracking study results, both the domestic tenants and owner-occupiers reported a reduction of monthly expenditure in T2 as compared with the baseline study (on average spending \$466.7 less than in T1). The expenditure further decreased in T3 (on average \$129.4 less than in T2). The resultant change was an average decrease of \$596.1 per month in T3 compared with in T1.

11. Regarding the social support network, the frequency of respondents' contact with neighbours was reduced in the tracking studies (all: 51.7%). The drop in contact frequency and change in relationships was particularly significant among tenants or people under 60. Besides, the trust among neighbours (reduced, all respondents: 63.5%) and their attitude towards whether their neighbours would give them support when they needed help (reduced, all respondents: 36.2%) or their concern on the overall benefits for the community (reduced, all respondents: 54.0%) were more negative in T2. In addition, the drop in trust was significant among people age 60 or above. However, the relationship with new neighbours, and the level of trust in them gradually improved in T3. The number of people in the study who indicated that they were in need of material, social or problem solving support was small. For those that had such needs, most of them tend to seek for the support from neighbours, relatives and friends in the same district.

12. The usage of swimming pools and sports grounds increased across all respondent groups in T2, while visits to parks remained stable. Surprisingly, the percentage of respondents paying regular

visits to hospitals and clinics reduced sharply among the respondents in T2 and did not increase back to the baseline percentage in T3. The pattern was similar among the older respondents. The reason for this change is not clear to us. The participation rate in community activities was lower after relocation, but indeed it was quite low even before relocation.

13. The satisfaction of respondents on payment on property acquisition, rehousing compensation, adequacy of consultation, and the social service team was good in general in all three rounds of interviews. The satisfaction rate fluctuated in T2 and T3, but the rating in general remained high even on controversial items including acquisition, rehousing compensation, and adequacy of consultation.

14. A very high percentage of residents found the relocation caused by redevelopment had no impact on them or their households on aspects like work opportunity, education, medical support, and social life in T2. A higher percentage expected that there would be serious impact on them in new housing arrangements at the baseline study (serious to very serious, tenant: 53.5%; age 60 or above: 47.2%), but the percentage greatly reduced in T2. A higher percentage of the respondents expressed that there were improvements in the new living environment, including building hygiene, safety (fire hazard), building facilities, flat and building structure and security. On the other hand, a much lower percentage of the respondents found that there was improvement in transportation and shopping facilities after relocation.

15. The respondents in general enjoyed very good health conditions. A large majority (82.7%) of the tenants reported that they were in good health. The percentage among the owner-occupiers, who were generally older, was lower (75.0%). However, the tracking study showed that the self-reported health condition level was lower in T3 compared with the levels in T2 among both tenant and owner-occupier groups. A large majority of the respondents were in good psychological health in T2 and T3 interviews. Most of them indicated that they were feeling peaceful frequently, mostly to always (tenant: T2: 84.6%, T3: 83.7%; owner-occupier: T2: 75.1%, T3: 66.7%) and the percentage remained high in T3. When asked about their changes in health conditions in the previous four weeks in T3, around half of the elderly felt more peaceful (45.5%), and less sad and depressed (36.4%), however, around 40% of them felt less energetic (40.9%).

Non-domestic Tenants and Owner-operators

16. Only a few non-domestic tenants and owner-operators responded and therefore it is difficult to make accurate projections. However, the majority of the operators who responded to our interview indicated that they continued their business in the same district after relocation. This is consistent with the preference shown in the baseline study.

Desktop study on 28 Domestic Owner-occupiers

17. A desktop study based on market information available to the public has been conducted by URA. 28 sample transactions were identified to match records of owner-occupiers within the project. Most of them have bought flats in Shamshuipo or adjacent areas.

18. Among the 28 owner-occupier households, almost eighty percent (78.6%) bought a flat that was over 20 years old; more than half of them (53.6%) bought one that was more than 30 years old. Over forty percent (42.9%) bought a flat that was larger than their original one, and 57.1% bought a flat that was smaller. The new homes of about half (46.5%) of the households, however, did not differ more than 10 sq. meters from their previous one.

19. Close to half of the 28 owner-occupiers (46.3%) retained over \$1 million from their cash compensation from the URA after the purchase of the replacement unit, and over a quarter (28.5%) of them retained \$2 to 3.5 million.

20. Apparently, a substantial proportion of owner-occupiers opted for relatively older and smaller flats, and kept the balance for other purposes. Since many of them had been living in the units for many years, the household size now might not be as large as the time they moved into the original units. As younger family members moved out, these owner-occupiers might not need a flat of the same size.

Feasibility and Recommendations of Tracking Studies

21. This study also studied the feasibility and effectiveness of using a tracking survey to understand how the people are affected in order to provide relevant information and analysis to government departments and public bodies to facilitate them to design appropriate measures to cater for the needs of the people affected by the redevelopment process. Experience learned from this study is worth noting when designing similar studies in the future and specifically the following points:

- People in the redevelopment area moved out at different times and the time difference can be longer than a year.
- Some owner-occupiers have more than one property, they might not come back often to their old flats, especially when there are increasingly more vacant units in the buildings. This group of owners can hardly be reached.
- Some people, especially the poorer tenants, do not keep their contact phone numbers because they use pre-paid SIM cards, and the chances of changing their call number are higher. When they move out from the units, they can hardly be reached.
- While giving out coupons to residents is an effective incentive for conducting a study of multiple visits, the general incentive for business operators to take part in the study has been low.

22. Considering the conditions above that may affect the implementation of a similar study, some measures are suggested as below.

- Make contact for the baseline study as early as possible.
- Collect the contact numbers of all household members, relatives and friends nominated by them to facilitate future follow-up.
- The contact information of target respondents (and their household members or nominated contacts) should be updated at regular intervals (say monthly) between different stages of study by contacting the target respondents. In the follow up contacts, a few questions on their problems in the redevelopment or relocation process, if any, can be asked.
- The survey design should be more flexible and allow longer study period for different stages of study to cater for the moving schedule of different respondents.

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