

From 1 Jan 2016, tenants of 11 public rental housing developments affected by excess lead in drinking water will receive subsidies provided by the main contractors concerned, for offsetting part of the water and sewage charges payable.

Key Features

1. Total subsidy ceiling amount for each affected tenant is \$660.
2. The eligible period for subsidy is from 1 Jan 2016 to 31 Dec 2016 (i.e. 366 days). The daily subsidy amount is \$1.8033 (i.e. \$660 / 366).
3. If the subsidy amount is less than the total water and sewage charges payable for the billing period, the tenant has to pay the excess amount.
4. If the subsidy amount is larger than the total charges payable, the unutilized subsidy will be kept in the subsidy reserve for paying the tenant's water bills incurred in three years' time, up to 31 Dec 2018.
5. If the tenant of the affected unit moves out during the three-year period, any unutilized subsidy will apply to the new tenant moving in, provided that the bill to the new tenant is issued on or before 31 Dec 2018.
6. No subsidy will be provided for bills issued on or after 1 Jan 2019, even though the billing period for the bill covers any days on or before 31 Dec 2018. All unutilized subsidy, if any, will lapse on 1 Jan 2019.

Examples for Illustration
Example 1 : Subsidy is fully utilized in the first four bills issued from 2016 onwards.

	1 st bill in 2016	2 nd bill in 2016	3 rd bill in 2016	1 st bill in 2017
i Billing period and No. of days involved	16.11.2015 -18.3.2016 123 days	18.3.2016 -18.7.2016 122 days	18.7.2016 -16.11.2016 121 days	16.11.2016 -18.3.2017 122 days
ii No. of days eligible for subsidy (366 days in total)	78 days (i.e.1.1.2016 - 18.3.2016)	122 days	121 days	45 days (i.e.16.11.2016 - 31.12.2016)
lii Water and Sewage Charges	\$180.00	\$200.00	\$250.00	\$180.00
iv Unutilized Subsidy brought forward	\$0.00	\$0.00	\$20.00	\$0.00
v Subsidy amount based on the no. of days eligible (\$660/366 x No. of days in (ii))	\$140.65	\$220.00	\$218.19	\$81.16
vi Total Subsidy Ceiling (iv + v)	\$140.65	\$220.00	\$238.19	\$81.16
vii Amount Payable by Tenant	\$39.35	\$0.00	\$11.81	\$98.84
viii Unutilized Subsidy carried forward	\$0.00	\$20.00	\$0.00	\$0.00

Example 2 : Unutilized subsidy carried forward to settle bills issued in 2017 until fully utilized.

	1 st bill in 2017	2 nd bill in 2017
i Billing period and No. of days involved	16.11.2016 -18.3.2017 122 days	18.3.2017 -18.7.2017 122 days
ii No. of days eligible for subsidy	45 days (i.e.16.11.2016 -31.12.2016)	N/A
iii Water and Sewage Charges	\$150.00	\$169.00
iv Unutilized Subsidy brought forward	\$213.84	\$145.00
v Subsidy amount based on the no. of days eligible	\$81.16	N/A
vi Total Subsidy Ceiling (iv + v)	\$295.00	\$145.00
vii Amount Payable by Tenant	\$0.00	\$24.00
viii Unutilized Subsidy carried forward	\$145.00	\$0.00

Example 3 : Unutilized subsidy at the end of 2018 will lapse on 1.1.2019.

	3 rd bill in 2018	1 st bill in 2019
i Billing period and No. of days involved	27.7.2018 -26.11.2018 122 days	26.11.2018 -28.3.2019 122 days
ii No. of days eligible for subsidy	N/A	N/A
iii Water and Sewage Charges	\$55.00	\$55.00
iv Unutilized Subsidy brought forward	\$220.00	N/A
v Subsidy amount based on the no. of days eligible	N/A	N/A
vi Total Subsidy Ceiling (iv + v)	\$220.00	N/A
vii Amount Payable by Tenant	\$0.00	\$55.00
viii Unutilized Subsidy carried forward	\$165.00 (Amount will lapse on 1.1.2019)	N/A