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Replies to supplementary questions raised by Finance Committee Members in examining the Estimates of Expenditure 2015-16

Director of Bureau : Secretary for Transport and Housing

Session No. : 11

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**CONTROLLING OFFICER'S REPLY TO
ORAL QUESTION**

(Question Serial No. SV013)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (3) Appeal Panel (Housing)

Controlling Officer: Permanent Secretary for Transport and Housing (Housing) (Stanley YING)

Director of Bureau: Secretary for Transport and Housing

Question:

In 2014, the Appeal Panel (Housing) had received 1 200 appeals and had conducted 450 hearings. The Administration is requested to provide information on the number cases where application for judicial review against the Housing Department's decision has been made.

Asked by: Hon LEUNG Chi-cheung

Reply:

Out of the 450 appeal cases heard in 2014, there is one application made by the appellant for judicial review against the appeal result.

- End -

CONTROLLING OFFICER'S REPLY

S-THB(H)02

(Question Serial No. S0066)

Head: (62) Housing Department

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)
(Stanley YING)

Director of Bureau: Secretary for Transport and Housing

Question:

Given that the implementation of the refined points system for public rental housing applicants on the Waiting List (WL) since 1 February this year has brought about negative effects and caused discontent among WL applicants, it is hoped that a comprehensive review of the system will be conducted to minimise the negative effects.

Asked by: Hon WONG Kwok-hing

Reply:

As a financially autonomous public body, the Hong Kong Housing Authority (HA) funds its public housing programmes with its own resources.

It is the policy of the Government and the HA to accord priority to general applicants (i.e. family and elderly one-person applicants) over non-elderly one-person applicants in the allocation of public rental housing (PRH) flats. Towards this end, the HA introduced the Quota and Points System (QPS) for non-elderly one-person applicants in September 2005. Unlike general applicants, under the QPS—

- (a) the allocation of flats is subject to an annual quota;
- (b) the priority of applicants is determined by a points system; and
- (c) the target of providing the first flat offer at around three years on average is not applicable to QPS applicants.

In 2012, the Government established the Long Term Housing Strategy (LTHS) Steering Committee. On the QPS, the LTHS Steering Committee was concerned that older applicants might have relatively limited upward mobility and therefore should be given higher priority. During the public consultation on the LTHS, a considerable number of respondents agreed that more points should be given to non-elderly one-person applicants

who are above the age of 45. In its report submitted to the Government, the LTHS Steering Committee called on the HA to carefully review PRH-related policies, including the QPS, to ensure the proper use of valuable PRH resources.

At the same time, in his Report No. 61 on the allocation and utilisation of PRH flats, the Director of Audit observed that there was a built-in incentive for applicants to apply for PRH early under the QPS (i.e. to apply at the minimum eligible age of 18 in order to accumulate more waiting time points), and recommended the HA to conduct a comprehensive review of the QPS. Subsequently, the Legislative Council (LegCo) Public Accounts Committee also considered that the HA should review the points system of the QPS with a view to introducing improvement measures. The Subcommittee on the LTHS under the LegCo Panel on Housing also mentioned Members' different views on this subject in its report published in July 2014.

As seen from the above, the proposal to refine the QPS has been thoroughly discussed at different fora. Taking into account views from all parties, the HA's Subsidised Housing Committee (SHC) decided to refine the QPS on 14 October 2014. Refinements include awarding a one-off bonus of 60 points to applicants when they have reached the age of 45 to accord them with a higher priority over other younger applicants; and increasing the scale of age points from three to nine points per year of age increase at the time of application to reduce the incentive for early registration. The refined points system was implemented with effect from 1 February 2015. At the same time, the HA's SHC also decided to increase the annual allocation quota under the QPS from 8% to 10% of the total number of flats to be allocated to general and the QPS applicants, subject to a cap which was also increased from 2 000 to 2 200 units, starting from the HA's PRH Allocation Plan for 2015/16.

The HA has immediately issued a press release on 14 October 2014 to announce the relevant details after it decided to refine the QPS. The HA has also issued letters to inform individual QPS applicants of the refinement and the latest calculation of their points in early February 2015.

To facilitate the implementation of the refined system, the HA's SHC also decided to adopt the following one-off arrangements –

- (a) the points of those applicants who have submitted applications or have been registered before the implementation date (i.e. 1 February 2015) would be re-calculated under the refined system. If the re-calculated total points for these applicants are higher than the total points already awarded to them under the old system, the HA would award the difference in points to them on the implementation date;
- (b) for those applicants who have passed the detailed eligibility vetting on or before the date of HA's decision to refine the QPS (i.e. 14 October 2014) and are undergoing the allocation process, their priority for PRH allocation would be based on their points awarded under either the refined system or the old system, whichever enables earlier allocation; and

- (c) as Long Bin Interim Housing (IH) will be cleared in January 2016, non-elderly one-person households living in the IH can retain their priority for rehousing to PRH under the old system.

The HA will continue to closely monitor the implementation of the QPS.

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