

The Committee noted that the Audit Commission had conducted a review to examine the economy, efficiency and effectiveness of the allocation of public rental housing (PRH) flats by the Housing Department (HD).

2. The Committee noted that the HD agreed with all the audit recommendations and had initiated actions to address the audit issues, namely, those relating to:

- handling of applications for the allocation of PRH flats;
- reservation of PRH flats;
- provision of housing for senior citizens;
- provision of interim housing flats and accommodation in transit centres; and
- letting of less popular flats.

3. The Committee did not hold any public hearing on this subject. Instead, it asked for a written response to its enquiries about the latest progress of the actions taken by the HD.

4. The **Director of Housing** provided, in his letter of 19 December 2006 in *Appendix 27*, a progress report to the Committee.

5. The Committee notes the reply of the Director of Housing and wishes to be kept informed of the progress made in implementing the various audit recommendations.