

**Allocation and Utilisation of Public Rental Housing Flats  
Progress in implementing the Audit's and  
Public Accounts Committee's ("PAC's") recommendations**

Audit Report Para. no.	Audit's/PAC's recommendations	Progress as at September 2014
<b>Part 2: Allocation of flats to people in need of public rental housing ("PRH")</b>		
2.31	<p><b>Management of the Waiting List ("WL") for general applicants</b></p> <p><i>Transparency and accountability in the Average Waiting Time ("AWT") computation</i></p> <p>(a) to enhance transparency and accountability of the Housing Department's management of the WL for PRH, the Housing Department ("HD") may consider, for example:</p> <p style="margin-left: 40px;">(i) publicising the definition of AWT and the basis of its calculation in the HA's website, pamphlets and brochures; and</p> <p style="margin-left: 40px;">(ii) enhancing the transparency of the flat allocation mechanism to help applicants make informed decisions.</p>	<p>(a) The HD has uploaded the definition and computation method of the AWT onto the Housing Authority ("HA")/HD's website on 29 January 2014 and incorporated information on the AWT into the brochure "Waiting List for Public Rental Housing — Information for Applicants".</p> <p>To enhance transparency of the flat allocation mechanism, the revised "Waiting List for Public Rental Housing — Information for Applicants" and the Application Form incorporating information on AWT were also published for use in April 2014 and August 2014 respectively.</p>

Audit Report Para. no.	Audit's/PAC's recommendations	Progress as at September 2014
2.50	<p><b>Implementation of the Quota and Points System ("QPS")</b></p> <p><i>Sustainability of the Quota and Points System</i></p> <p>(a) to conduct a comprehensive review of the QPS, including:</p> <p>(i) examining whether there is room for improvement in the points system of the QPS; and</p> <p>(ii) assessing the effectiveness and sustainability of the QPS in achieving its objectives; and</p> <p><i>Screening out ineligible QPS applicants on the WL</i></p> <p>(b) to consider the need to screen out ineligible QPS applicants on a periodic basis.</p>	<p>(a) and (b)</p> <p>The Long Term Housing Strategy ("LTHS") Consultation Document published by the LTHS Steering Committee has put forward recommendations on the QPS, including allocating more points to those who are above the age of 45, developing a mechanism to regularly review the income and asset of QPS applicants, etc. The three-month public consultation ended on 2 December 2013. Audit's and PAC's recommendations and observations, the views received during the PAC's public hearings, as well as the LTHS Steering Committee's recommendations and view collected during the public consultation, have been referred to the HA for consideration.</p>

Audit Report Para. no.	Audit's/PAC's recommendations	Progress as at September 2014
<b>Part 3: Maximising the rational utilisation of PRH</b>		
3.40	<p><b>Implementation of the Well-off Tenants Policies</b></p> <p><i>Review of the Well-off Tenants Policies</i></p> <p>(b) to critically review the Well-off Tenants Policies to see whether the various parameters of the Housing Subsidy Policy and the Policy on Safeguarding Rational Allocation of Public Housing Resources can be fine-tuned for further improvements; and</p> <p>(c) to explore ways to encourage well-off PRH tenants to purchase Home Ownership Scheme flats.</p>	<p>(b) and (c)</p> <p>“Well-off Tenants Policies” is one of the discussion items of the LTHS Steering Committee. The Steering Committee noted that there are divergent views on the policies in the community. The public consultation document on LTHS further invited views on the policies. Views collected during the public consultation, together with Audit’s and PAC’s recommendations as well as views collected during PAC hearings, have been referred to the HA for consideration.</p>
3.62	<p><b>Under-occupation of PRH flats</b></p> <p><i>Stepping up efforts to tackle the under-occupation issue</i></p> <p>(a) to step up HD’s efforts in tackling the under-occupation (“UO”) issue, paying particular attention to those long-outstanding UO households.</p>	<p>(a) The HA had reviewed the UO policy in 2013 and endorsed a series of revised measures for implementation starting from October 2013. Under the revised measures, some 26 300 UO households with disabled or elderly members aged 70 or above were excluded from the UO list and some 13 000 UO households with members aged between 60 and 69 were placed at the end of the UO transfer list.</p>

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		<p>The HA has also lowered the Prioritised Under-occupation ("PUO") threshold for households of all sizes. For example, the threshold of one-person households has been lowered from having a living area of 34m<sup>2</sup> to 30m<sup>2</sup>. The number of households identified as PUO increased to 7 581. The HD has issued notification to all PUO households informing them of the revised UO measures and are arranging for their transfer to smaller flats by batches.</p> <p>A further review of the UO policy will be conducted in 2016.</p>
<b>Part 5: Way forward</b>		
5.8	<p><b>Way forward</b></p> <p>(a) Audit recommends that the audit observations and recommendations in the Audit Report should be taken on board in taking forward the LTHS Review.</p>	<p>(a) The LTHS Steering Committee has published a Consultation Document on the LTHS for Hong Kong for the next ten years. The Steering Committee's recommendations and all of the views collected during the consultation period have been referred to the HA for consideration and implementation.</p>