

立法會 *Legislative Council*

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Panel on Housing

Meeting on 5 January 2015

Background brief on "Quota and Points System" prepared by the Legislative Council Secretariat

Purpose

This paper provides background information on the Quota and Points System ("QPS") for non-elderly one-person applicants for public rental housing ("PRH") implemented by the Hong Kong Housing Authority ("HA"), and a summary of the views and concerns expressed by members of the Panel on Housing ("the Panel") and the Subcommittee on the Long Term Housing Strategy ("the Subcommittee")¹ on the subject.

Background

2. HA has put in place an application system for PRH. For general applicants (i.e. family applicants and elderly one-person applicants aged 60 or above), HA's target is to maintain the average waiting time ("AWT") of about three years. For non-elderly one-person applicants, their applications are processed in accordance with QPS. The target of maintaining AWT of around three years is not applicable to applicants under QPS.

Operation of QPS

3. According to the Administration², it is the policy of the Government and HA to accord priority to general applicants over non-elderly one-person

¹ Following the Government's launching of the Long Term Housing Strategy ("LTHS") review in September 2012, the Panel appointed the Subcommittee at its meeting on 3 December 2012 to discuss various issues covered in the LTHS review and make recommendations on LTHS. The Subcommittee concluded its work and submitted a report ([LC Paper No. CB\(1\)1705/13-14](#)) to the Panel on 7 July 2014.

² See [LC Paper No. CB\(1\)919/12-13\(02\)](#).

applicants in the allocation of PRH units. Towards this end, HA introduced QPS in September 2005 to rationalize and to re-prioritize the allocation of PRH to non-elderly one-person applicants.

4. Under QPS, the annual allocation quota for non-elderly one-person applicants is set at 8% of the number of PRH flats to be allocated to Waiting List ("WL") applicants, subject to a ceiling of 2 000 units. Points are assigned to applicants based on three determining factors³, namely, age of the applicants at the time of submitting their PRH applications; whether the applicants are PRH tenants; and the waiting time of the applicants.

Number and profile of the non-elderly one-person applicants under QPS

5. As at end-December 2012, there were about 115 300 general applicants and 106 900 non-elderly one-person applicants on the WL. Among the 106 900 non-elderly one-person applicants, 67% (71 500) were aged 35 or below. According to HA's 2012 Survey on WL Applicants for PRH, among the non-elderly one-person applicants aged 35 or below, 34% were students when they applied for PRH, 47% of them had post-secondary or above education attainment, and 33% were PRH tenants. However, for those aged above 35, only 7% of them had attained post-secondary or higher education.

6. According to the Administration⁴, as at end-December 2013, there were about 121 100 general applicants on the WL for PRH. For non-elderly one-person applications under QPS, there were about 122 200. Among these non-elderly applicants, those below the age of 35 amounted to 82 200, which was about 67.3%.

Members' views and concerns

7. The Panel discussed issues relating to QPS when it deliberated on the

³ Under QPS, points are assigned to applicants based on the following factors –

- (a) age of the applicant at the time of submitting his/her PRH application: zero point will be given to applicants aged 18. Three points will be given to those aged 19; six points to those aged 20 and so forth;
- (b) whether or not the applicant is a PRH tenant: for applicants living in PRH (including those living in rental housing operated by the Hong Kong Housing Society), 30 points will be deducted; and
- (c) the length of time the applicant has waited: one additional point will be received when the applicant concerned has waited on the WL for one more month.

⁴ Source: Transcript of remarks by the Secretary for Transport and Housing at a media session on the release of the LTHS Consultation Report on 17 February 2014.
(<http://www.info.gov.hk/gia/general/201402/17/P201402170590.htm>)

subject of "PRH for one-person applicants" at its meeting on 4 July 2011. The Subcommittee was briefed on QPS for non-elderly one-person applicants for PRH at its meeting on 30 April 2013.

Discussion at the Panel on 4 July 2011

8. At the Panel meeting, members expressed the following views and concerns –

- (a) The application of QPS to non-elderly one-person applicants was unfair and might constitute age discrimination as these applicants had to wait for unacceptably long time for flat allocation.
- (b) The 2 000 PRH units set aside for non-elderly one-person applicants each year were insufficient. HA should raise the annual allocation quota for such applicants to meet the demand.
- (c) HA might need to consider providing a special category of public housing for younger applicants as a large number of applicants under QPS were aged below 30.

9. The Administration responded that the arrangement under QPS should not give rise to age discrimination, as QPS was intended to ensure rational allocation of PRH units in favour of more needy applicants. Over the years, QPS had been working well with a high degree of transparency. Non-elderly one-person applicants with pressing housing needs might apply for Compassionate Rehousing. They might also join the Express Flat Allocation Scheme or the Harmonious Families Addition Scheme with their elderly family members who were living in PRH.

Discussion at the Subcommittee on 30 April 2013

10. At the Subcommittee meeting, members expressed the following views and concerns –

- (a) The Administration was not responsive to the significant upsurge in the number of non-elderly one-person applicants in recent years. The Administration should explore other effective measures to meet the housing demand of all PRH applicants apart from prioritizing limited PRH resources amongst them.
- (b) QPS had lengthened the waiting time of non-elderly one-person applicants and reduced their chance of being allocated PRH units. HA should consider removing the deduction of 30 points for those applicants living with their families in PRH. Otherwise, such

applicants would have very slim chance of being allocated PRH units.

- (c) Some members however supported the Government's policy to accord a higher priority to general applicants over non-elderly one-person applicants in PRH allocation given the limited supply of PRH units. Apart from increasing PRH production, they urged the Administration to provide youth hostels for young people awaiting PRH to live until they were allocated PRH units.
- (d) The Administration should conduct a comprehensive analysis to examine the possible impacts of the HA's Well-off Tenants Policies⁵ on the significant increase in the number of non-elderly one-person applications.

11. In reply, the Administration responded that –

- (a) HA had taken into account all relevant factors including the changes in the population structure in formulating housing policies. HA had also put in place a Public Housing Construction Programme which forecast production for the coming five years. The production level was reviewed annually having regard to the overall demand and supply situation of PRH.
- (b) The Long Term Housing Strategy Steering Committee ("the Steering Committee")⁶ was studying the housing needs of individual groups in the community, and would come up with a series of recommendations. These might include progressively extending the AWT target to non-elderly one-person applicants and reviewing the income and asset limits for PRH applicants on WL, to ensure that the limited PRH resources would be allocated in an equitable manner to those who had genuine housing needs.
- (c) The Administration would proceed with PRH production where land was identified, and adopt different methods to compress the construction period.

⁵ Under the Well-off Tenants Policies, households after living in PRH for 10 years are required to declare their household income biennially. Those with a household income exceeding the prescribed income limits have to pay 1.5 times or double net rent plus rates as appropriate. Households with total household income and net assets value both exceeding the prescribed income and asset limits are required to vacate their PRH flats.

⁶ The Steering Committee was formed by the Government in September 2012 to advise the Government on the formulation of LTHS. The Steering Committee was chaired by the Secretary for Transport and Housing and comprised 15 non-official and three official members.

- (d) It was difficult to attribute the substantial increase in the number of non-elderly one-person applicants to existing housing policies.

Council questions

12. At the Council meetings on 25 May 2011, 2 November 2011, 4 July 2012 and 4 June 2014, Hon Ronny TONG, Hon LEE Wing-tat, Hon Cyd HO, and Dr Hon Fernando CHEUNG raised questions relating to the applications under QPS. Issues covered in the questions include whether the Administration or HA have formulated any strategy to effectively deal with the PRH applications submitted by one-person applicants or QPS applicants, AWT for allocation of PRH unit for the non-elderly one-person applicants, and the number of persons with disabilities among the applicants under QPS. Details of the Council questions and the Administration's responses are hyperlinked in the **Appendix**.

Latest developments

13. On 14 October 2014, the Subsidized Housing Committee ("SHC") of HA decided to refine QPS as follows⁷ –

- (a) the annual allocation quota for QPS, starting from 2015-2016, will be increased from the current 8% to 10% of the number of flats to be allocated to PRH applicants on the WL, subject to a cap to be increased from 2 000 to 2 200 units;
- (b) to reduce the inadvertent incentive for early application under QPS, the scale of age points will be increased from three points to nine points per year of age increase at the time of application;
- (c) QPS applicants reaching the age of 45 will be awarded a one-off bonus of 60 points to offer them a higher priority over younger QPS applicants;
- (d) to enable HA to have a more realistic grasp of the situation of the QPS applicants and better assess the demand, checking will be conducted on those QPS applicants who have waited for five years but are not yet due for detailed vetting within the next two years;
- (e) implementation of the refined points system as well as the regular checking of the eligibility of QPS applicants will take effect from 1 February 2015;

⁷ Source: Press release issued by HA on 14 October 2014.
(<http://www.info.gov.hk/gia/general/201410/14/P201410140802.htm>)

- (f) as a one-off arrangement, the points of existing applicants who have submitted applications or have been registered before 1 February 2015 will be re-calculated under the refined system. They can either keep the higher points already accrued under the existing system, or be awarded the differences in points if the re-calculated total points are higher. For those applicants who have passed the detailed eligibility vetting on or before 14 October 2014, and are undergoing the allocation process, their priority for allocation will be based on their points awarded under the new points system, or their points under the old system, whichever enables earlier allocation; and
- (g) as a one-off arrangement, the existing priority of Long Bin Interim Housing⁸ non-elderly one-person clearerees for rehousing to PRH under QPS will be retained, so as to facilitate the relevant clearance operation.

14. The Administration will brief members on the refinements to QPS and the checking of the eligibility of applicants under the system at the Panel meeting on 5 January 2015.

Relevant papers

15. A list of relevant papers is set out in the **Appendix**.

Council Business Division 1
Legislative Council Secretariat
24 December 2014

⁸ HA approved the clearance of Long Bin Interim Housing estate to make way for public housing development on 13 September 2013. There were 510 households housed on the site and the target clearance date is January 2016. According to the rehousing arrangements approved by HA on 9 January 2014, the majority of the households would be offered PRH flats through their existing WL applications before the clearance date. Households still on WL would be rehoused to Po Tin Interim Housing estate. Households who were eligible for PRH might also be accorded Green Form status and priority in the upcoming sales exercise of the Home Ownership Scheme, subject to corresponding approval from SHC of HA to be given before the announcement of the sales.

Appendix

Quota and Points System

List of relevant papers

Council/ Committee	Date of meeting	Papers
Panel on Housing	4 July 2011	<p>Administration's paper on "The Housing Authority's Quota and Points System for non-elderly one-person applicants for public rental housing" (LC Paper No. CB(1)2594/10-11(03))</p> <p>Background brief on public rental housing for single persons prepared by the Legislative Council Secretariat (LC Paper No. CB(1)2594/10-11(04))</p> <p>Minutes of meeting (LC Paper No. CB(1)206/11-12)</p>
Subcommittee on the Long Term Housing Strategy	30 April 2013	<p>Administration's paper on "The Housing Authority's Quota and Points System for non-elderly one-person applicants for public rental housing" (LC Paper No. CB(1)919/12-13(02))</p> <p>Minutes of meeting (LC Paper No. CB(1)1350/12-13)</p>

Hyperlinks to relevant Council Questions:

Date	Council Question
25 May 2011	<p>Council question raised by Hon Ronny TONG http://www.info.gov.hk/gia/general/201105/25/P201105250111.htm</p>
2 November 2011	<p>Council question raised by Hon LEE Wing-tat http://www.info.gov.hk/gia/general/201111/02/P201111020299.htm</p>
4 July 2012	<p>Council question raised by Hon Cyd HO http://www.info.gov.hk/gia/general/201207/04/P201207040251.htm</p>
4 June 2014	<p>Council question raised by Dr Hon Fernando CHEUNG http://www.info.gov.hk/gia/general/201406/04/P201406040453.htm</p>