

LCQ20: Allocation of public housing units to non-elderly one-person applicants

Following is a question by the Hon Wu Chi-wai and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (May 20):

Question:

The Hong Kong Housing Authority (HA) has implemented a Quota and Points System (QPS) applicable to non-elderly one-person applicants since 2005. Some members of the public have relayed that in recent years, while the number of such applicants has remained on the high side, the number of public rental housing (PRH) units available for allocation to them has been on the low side, resulting in their average waiting time for PRH rising continuously. In this connection, will the Government inform this Council:

(1) of the respective numbers of Type A units (i.e. units for accommodating one to two persons) and one-person units which are currently rented to one-person tenants and, among such units, the respective numbers of those units the tenants of which are elderly and non-elderly persons; the respective numbers of these two types of units which are available for allocation in this financial year and, among such units, the respective numbers of those which have and have not been allocated at present;

(2) of the number of non-elderly one-person applicants and the quota of PRH units for allocation to such applicants in each of the past ten years;

(3) of the respective numbers, in each of the past five and the coming five financial years, (i) of the total number of units which were/may be available for allocation to one-person applicants, and (ii) of such units which were/will be allocated to non-elderly one-person applicants, and set out the details in the table below;

| Financial year | (i) | | | | | (ii) |
|----------------|--------------|-----------------|---|-------------|---|------|
| | Total number | Newly completed | | Refurbished | | |
| | | Number | Quota for non-elderly one-person applicants | Number | Quota for non-elderly one-person applicants | |
| | | | | | | |

(4) of HA's target number of Type A units to be built in each of the coming

five financial years; given that the percentage of this type of units in the total number of units built in a year fluctuated significantly in the past five financial years, whether HA has adopted any objective criteria for setting the relevant targets and percentages; if so, of the details;

(5) as the Government indicated at the end of last year that where technically feasible, a further increase of the domestic plot ratio for PRH sites would be allowed in order to increase public housing supply, whether it has studied increasing concurrently the proportion of the number of Type A units in the total number of newly built units; if so, of the details; if not, the reasons for that; and

(6) whether HA will consider (i) abolishing QPS so that non-elderly one-person applicants can enjoy the same treatment as general applicants, and (ii) increasing the number of Type A units to be built, in order to shorten the waiting time of these applicants?

Reply:

President,

Our consolidated reply to the question raised by the Hon Wu Chi-wai is as follows:

The objective of the Hong Kong Housing Authority (HA) is to provide public rental housing (PRH) to people who cannot afford private rental accommodation. Given the limited PRH resources and the continued strong demand for PRH, it is necessary to rationalise the allocation of PRH resources. It is HA's policy to accord priority on allocation of PRH units to those with more pressing housing needs, i.e. general applicants (i.e. family and elderly one-person applicants), with the target of providing the first flat offer at around three years on average. This target is not applicable to non-elderly one-person applicants under the Quota and Points System (QPS).

HA introduced QPS in September 2005 for rationalising and re-prioritising the allocation of PRH to non-elderly one-person applicants. Unlike general applicants, priority of flat allocation to QPS applicants is determined by the total points accumulated by individual applicants under the points system. The points are based on the applicants' age, their waiting time and whether they are already residing in PRH. In October 2014, HA endorsed refining QPS. Such refinements included increasing the age points per year of age increase at the time of application from three to nine points to reduce the incentive for early registration; and awarding a one-off bonus of 60 points to applicants when they have reached the age of 45 to accord them with higher priority over other younger applicants. In addition, HA endorsed that starting from 2015-16, the annual allocation quota for QPS would be increased from 8 per cent to 10 per cent of the total number of units to be allocated to general applicants and QPS applicants, subject to a cap to be increased from 2 000 to 2 200 units. HA currently has no plan to abolish QPS.

In the past 10 years, the cumulative number of non-elderly one-person (1P) applications and the estimated quota and actual number of units allocated to non-elderly 1P applicants are set out in Annex I. The number of units allocated to non-elderly 1P applicants and general applicants from 2014-15 to 2018-19 are set out in Annex II.

The Government approved in 2018 that the development density of the public housing sites in selected Density Zones of the Main Urban Areas and New Towns could be increased, where technically feasible, in order to increase the supply of public housing. HA will continue to strive to increase PRH supply, so as to allocate PRH units to applicants of different household sizes as soon as possible.

When planning the unit mix of PRH units, HA has been taking into account factors such as the distribution of household size among PRH applicants, projection of domestic household formation, etc. According to HA's Housing Construction Programme as at March 2020, it is estimated that about 72 700 PRH/ Green Form Subsidised Home Ownership Scheme (GSH) units will be completed from 2019-20 to 2023-24. Such units include Type A units (for one to two persons), Type B units (for two to three persons), Type C units (for three to four persons), and Type D units (for four to five persons) to meet the needs of different household sizes. According to the forecasts as at March 2020, the estimated number of Type A units amongst PRH/ GSH units to be completed by HA in the coming five years (i.e. from 2019-20 to 2023-24) is set out in Annex III.

HA takes into account various factors when determining the types of units in PRH construction. In view of the overall shortage of PRH supply, increasing the number of a specific type of units significantly will reduce the supply of units of other types, which will result in longer waiting time for PRH applicants of other unit types. Hence, we need to balance the overall supply and demand, and cannot adjust the proportion of unit types of newly built PRH units lightly.

Over the years, many different types of PRH units with varied designs and sizes have been completed at different times, HA has not compiled the number of PRH units with breakdown by unit type. For reference, as at end-March 2020, HA had about 152 600 1P PRH tenants, which included about 106 100 elderly households (Note) and about 46 500 non-elderly households.

Note: For one-person PRH tenants, elderly households refer to tenants aged 60 or above.