

**Memorandum for the Subsidised Housing Committee of the  
Hong Kong Housing Authority**

**Special Analysis of the Housing Situation of General Applicants  
for Public Rental Housing as at end-June 2019**

**PURPOSE**

This paper sets out a special analysis of the housing situation of general applicants for public rental housing (PRH) as at end-June 2019.

**BACKGROUND**

2. It is the Government and the Hong Kong Housing Authority (HA)'s objective to provide PRH to low-income families who cannot afford private rental accommodation, with the target of providing the first flat offer to the general applicants (i.e. family and elderly one-person applicants) at around three years on average. The average waiting time (AWT)<sup>Note 1</sup> target of around three years is not applicable to non-elderly one-person applicants under the Quota and Points System (QPS)<sup>Note 2</sup>. In view of the increasing demand for PRH and the public's concern over the waiting time of PRH applicants, we analyse the housing situation of PRH applicants as at end-June every year since 2011. Only general applicants are covered in the analysis. As the AWT target of around three years is not applicable to non-elderly one-person applicants

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Note 1 Waiting time refers to the time taken between registration for PRH and the first flat offer, excluding any frozen period during the application period (e.g. when the applicant has not yet fulfilled the residence requirement; the applicant has requested to put his/her application on hold pending arrival of family members for family reunion; the applicant is imprisoned, etc.). AWT for general applicants refers to the average of the waiting time of those general applicants who were housed to PRH in the past 12 months.

Note 2 QPS was introduced in September 2005 to rationalise and re-prioritise PRH allocation to non-elderly one-person applicants. Under QPS, the relative priorities for PRH allocation to applicants are determined by their points received.

under QPS and allocations under other rehousing categories (e.g. transfer of existing tenants, compassionate rehousing and clearance for redevelopment), these categories are not covered in this analysis.

## OVERALL SITUATION

3. As at end-June 2019, there were about 147 900 general applications. The tables below show the number of general applications in the past few years –

**Table 1**  
**Number of general applications as at end-June each year**

	<b>As at end-June 2013</b>	<b>As at end-June 2014</b>	<b>As at end-June 2015</b>	<b>As at end-June 2016</b>	<b>As at end-June 2017</b>	<b>As at end-June 2018</b>	<b>As at end-June 2019</b>
Number of general applications (change over previous year)	118 700	125 400 (+6%)	140 200 (+12%)	153 000 (+9%)	150 200 (-2%)	150 600 (+0.3%)	147 900 (-2%)

**Table 2**  
**Number of newly registered general applications in the year**

	<b>From July 2013 to June 2014</b>	<b>From July 2014 to June 2015</b>	<b>From July 2015 to June 2016</b>	<b>From July 2016 to June 2017</b>	<b>From July 2017 to June 2018</b>	<b>From July 2018 to June 2019</b>
Number of newly registered general applications (change over previous year)	28 000	25 500 (-9%)	23 600 (-8%)	19 800 (-16%)	20 400 (+3%)	20 600 (+0.9%)

## **AVERAGE WAITING TIME**

### ***Methodology in deriving AWT***

4. Under the established methodology, waiting time is the time taken between registration for PRH and the first flat offer, excluding any intervening frozen period (e.g. when the applicant has not yet fulfilled the residence requirement; the applicant has requested to put his/her application on hold pending arrival of family members for family reunion; the applicant is imprisoned, etc.). AWT is calculated as the average of the waiting time of those general applicants who were housed to PRH in the past 12 months, and should not be taken as the waiting time required for those applicants still on the queue.

5. Some PRH applicants may have their applications cancelled for different reasons, such as failure to meet the income or asset requirements at the detailed vetting stage, failure to attend interviews, etc. To provide flexibility to applicants whose circumstances might change thereafter, HA's policy is that they may apply for reinstatement of their applications if they fulfill the eligibility criteria again within a specific timeframe <sup>Note 3</sup>. Strictly speaking, if an applicant's application is cancelled, the period prior to reinstatement of his/her application should be excluded from calculating the waiting time. However, owing to limitations in the computer system, we have not been able to exclude such periods from the calculation of AWT. We are currently enhancing the computer system with a view to excluding such cancellation periods from the calculation of AWT in future.

### ***AWT***

6. As at end-June 2019, AWT for general applicants was 5.4 years. Among them, AWT for elderly one-person applicants was 2.9 years <sup>Note 4</sup>. AWT has been trending upwards over the past few years, as shown in the table below –

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Note 3 For an application which is cancelled because the applicant's income or asset has exceeded the prescribed limit, if the applicant subsequently becomes eligible again, he/she can request for reinstatement of the original application not earlier than six months and not later than two years after the date of the first cancellation of the application.

Note 4 The latest AWT for general applicants as at end-September 2019 was 5.4 years. Among them, AWT for elderly one-person applicants was 2.9 years. As the special analysis is based on the end-June position and to facilitate comparison with past special analyses, the end-June figures are adopted in this analysis.

**Table 3**  
**AWT as at end-June in recent years**

	As at end-June 2013	As at end-June 2014	As at end-June 2015	As at end-June 2016	As at end-June 2017	As at end-June 2018	As at end-June 2019
AWT for general applicants	2.7 years	3.0 years	3.4 years	4.1 years	4.7 years	5.3 years	5.4 years
AWT for elderly one-person applicants	1.5 years	1.7 years	1.9 years	2.4 years	2.6 years	2.9 years	2.9 years

7. We cannot predict AWT in future, since this is affected by various factors, including the number of PRH applicants; the number of units recovered from tenants; district choices of applicants and whether such choices match with the supply of PRH units available for allocation (including newly built and renovated units), etc. Despite the best efforts of the Government and HA in boosting public housing supply in recent years, the increase in PRH supply has yet to be able to completely absorb the accumulated demand for PRH in the coming few years. Both the Government and HA will continue their vigorous efforts in increasing PRH supply with a view to shortening the waiting time for PRH despite the various constraints, particularly shortage of land supply.

***Waiting time of applicants***

8. As AWT is an average, we have conducted special studies on the following two groups of applicants to examine the distribution of their waiting time and identify the major reasons for cases with longer waiting time –

- (a) the 20 500 general applicants who were housed between July 2018 and June 2019; and
- (b) the 147 900 general applicants who were still waiting as at end-June 2019.

## **DETAILS OF THE ANALYSIS**

### ***(a) General applicants housed between July 2018 and June 2019***

9. Between July 2018 and June 2019, 20 500 general applicants accepted flat offers and were housed into PRH. The distribution of their waiting time by district housed is shown in Table 4 below. Although some of them might have accepted their second or third offer instead of the first offer, in accordance with the established methodology, the waiting time is counted up to the first offer only as the opportunity for housing has already been provided at the first offer.

**Table 4**  
**Distribution of waiting time of general applicants**  
**who were housed to PRH between July 2018 and June 2019**

District housed	Waiting Time	Household size					Total
		1-P Note 5	2-P	3-P	4-P	5-P+	
Urban	≤3 years	620	190	190	50	40	1 100
	>3 - ≤ 4 years	1 500	50	60	30	20	1 700
	>4 - ≤ 5 years	110	220	110	80	40	560
	>5 - ≤ 6 years	60	860	830	70	90	1 900
	>6 years	100	1 000	1 700	2 200	700	5 700
	<b>Subtotal</b>	<b>2 400</b>	<b>2 300</b>	<b>2 900</b>	<b>2 400</b>	<b>890</b>	<b>10 900</b>
Extended Urban	≤3 years	260	210	200	80	40	790
	>3 - ≤ 4 years	310	50	50	50	10	460
	>4 - ≤ 5 years	40	290	120	70	60	580
	>5 - ≤ 6 years	30	1 500	1 400	380	150	3 500
	>6 years	20	180	320	1 600	450	2 500
	<b>Subtotal</b>	<b>660</b>	<b>2 300</b>	<b>2 100</b>	<b>2 200</b>	<b>710</b>	<b>7 900</b>
New Territories	≤3 years	60	40	10	<5	10	120
	>3 - ≤ 4 years	90	10	<5	0	10	120
	>4 - ≤ 5 years	20	70	10	10	30	140
	>5 - ≤ 6 years	10	380	130	10	40	570
	>6 years	10	100	140	260	70	590
	<b>Subtotal</b>	<b>200</b>	<b>610</b>	<b>290</b>	<b>280</b>	<b>160</b>	<b>1 500</b>
Islands	≤3 years	<5	0	0	0	<5	10
	>3 - ≤ 4 years	<5	<5	<5	<5	<5	10
	>4 - ≤ 5 years	<5	10	20	<5	<5	40
	>5 - ≤ 6 years	0	10	<5	<5	0	10
	>6 years	0	0	0	<5	0	<5
	<b>Subtotal</b>	<b>10</b>	<b>20</b>	<b>20</b>	<b>10</b>	<b>10</b>	<b>70</b>
Overall	≤3 years	950	430	390	120	100	2 000
	>3 - ≤ 4 years	2 000	110	120	80	40	2 300
	>4 - ≤ 5 years	170	600	270	160	120	1 300
	>5 - ≤ 6 years	100	2 800	2 400	460	290	6 000
	>6 years	120	1 300	2 200	4 000	1 200	8 800
	<b>Total</b>	<b>3 300</b>	<b>5 200</b>	<b>5 400</b>	<b>4 800</b>	<b>1 800</b>	<b>20 500</b>

Remark: Figures may not add up to total due to rounding. Values of one thousand or above are rounded to the nearest hundred and values below one thousand are rounded to the nearest ten.

Note 5 Mainly elderly one-person applicants. There is also a small number of QPS applicants housed through the Express Flat Allocation Scheme.

10. We have the following observations on the waiting time of these 20 500 housed general applicants –

- (a) 10% (about 2 000 applicants) had waited for three years or below;
- (b) of the 90% applicants (about 18 500 applicants) who had waited for over three years, 53% were housed to flats in the Urban District while 39% were housed to flats in the Extended Urban District, altogether accounting for 92%;
- (c) among the 18 500 housed applicants who had waited for over three years, 33% (about 6 000 applicants) had waited for over five years but less than six years while 48% (about 8 800 applicants) had waited for over six years; and
- (d) we have further analysed the major reasons for those housed applicants with a waiting time of over six years. Our findings suggest that a certain proportion of these cases involved circumstances<sup>Note 6</sup> that might affect their waiting time, including change of district choice (71%); change of household particulars<sup>Note 7</sup> (61%); refusal to accept housing offer(s) with reasons acceptable to HA (17%); reinstated applications which were previously cancelled owing to failure to meet income eligibility requirements in the detailed vetting stage, failure to attend interview or inadequate documentary proof (15%); and location preference on social/medical grounds (7%).

***(b) General applicants who were still waiting as at end-June 2019***

11. Among the 147 900 general applicants who were still waiting as at end-June 2019, 44% (about 64 600 applicants) had a waiting time of over three years and without any flat offer as at end-June 2019. As these applicants have yet to receive any flat offer, their waiting time is counted from the date of registration up to end-June 2019, excluding frozen periods. The distribution of waiting time of these applicants is shown in the table below.

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Note 6 Some cases involve two or more circumstances. Hence, the percentage breakdown does not add up to the total.

Note 7 Experience shows that many applicants requesting change of household particulars fail to provide supporting documents over an extended period of time, thus affecting the processing of their applications and lengthening their waiting time. For example, many applicants who requested to add household member(s) to their applications failed to provide relevant documents (e.g. proofs for their income and net asset value) in time for HA to process their applications.

**Table 5**  
**Distribution of waiting time of general applicants who had waited for PRH for over three years and without any flat offer as at end-June 2019**

District choice <sup>Note 8</sup>	Waiting Time	Household size					Total
		1-P <sup>Note 9</sup>	2-P	3-P	4-P	5-P+	
Urban	>3 - ≤ 4 years	580	1 600	490	260	140	3 000
	>4 - ≤ 5 years	50	1 500	530	320	170	2 600
	>5 - ≤ 6 years	10	1 300	1 100	740	230	3 300
	>6 years	10	620	830	2 000	410	3 900
	<b>Subtotal</b>	650	5 000	2 900	3 300	960	12 800
Extended Urban	>3 - ≤ 4 years	410	5 500	4 200	2 400	510	13 100
	>4 - ≤ 5 years	40	5 300	4 400	2 800	530	13 000
	>5 - ≤ 6 years	10	2 000	2 200	2 200	420	6 800
	>6 years	10	60	90	280	60	500
	<b>Subtotal</b>	460	12 900	10 900	7 600	1 500	33 400
New Territories	>3 - ≤ 4 years	530	2 400	1 800	950	230	5 900
	>4 - ≤ 5 years	230	2 100	1 700	1 100	200	5 300
	>5 - ≤ 6 years	10	1 500	1 600	1 000	230	4 300
	>6 years	<5	80	810	1 500	350	2 700
	<b>Subtotal</b>	760	6 100	5 800	4 500	1 000	18 300
Islands	>3 - ≤ 4 years	10	30	30	10	<5	80
	>4 - ≤ 5 years	0	20	10	<5	<5	40
	>5 - ≤ 6 years	<5	<5	<5	10	0	10
	>6 years	0	0	0	<5	0	<5
	<b>Subtotal</b>	10	60	40	30	<5	130
Overall	>3 - ≤ 4 years	1 500	9 600	6 500	3 600	880	22 100
	>4 - ≤ 5 years	310	9 000	6 600	4 200	900	20 900
	>5 - ≤ 6 years	30	4 800	4 900	3 900	880	14 500
	>6 years	20	760	1 700	3 800	810	7 100
	<b>Total</b>	1 900	24 100	19 700	15 500	3 500	64 600

Remark: Figures may not add up to total due to rounding. Values of one thousand or above are rounded to the nearest hundred and values below one thousand are rounded to the nearest ten.

12. Among the 64 600 general applicants who had waited for over three years and without any flat offer as at end-June 2019 –

Note 8 Refers to the district choice of applicants as at end-June 2019.

Note 9 Mainly elderly one-person applicants.



- (a) 25% of them (about 16 100 applicants) have reached the detailed vetting stage as at end-June 2019. Flat allocation will follow if they are found eligible;
- (b) 52% of them had chosen the Extended Urban District. Another 28% and 20% of them had chosen the New Territories and the Urban District respectively;
- (c) 22% of them (about 14 500 applicants) have waited for over five years but less than six years and 11% (about 7 100 applicants) have waited for over six years; and
- (d) we have further analysed the major reasons for those applicants with a waiting time of over six years. Our findings suggest that a certain proportion of these cases involved circumstances that might affect their waiting time, including change of household particulars (60%); cancellation periods and location preference on social/medical grounds (9%); refusal to accept housing offers with reasons accepted by HA (4%), etc.

## FROZEN PERIOD

13. As at end-June 2019, among the 147 900 general applications who were waiting for PRH, about 10% (some 14 100 cases) were frozen owing to the following reasons –

<b>Reason</b>	<b>Frozen cases as at end-June 2019</b>
Failure to meet residence requirement <sup>Note 10</sup>	14 000
Request by applicants to freeze their applications (e.g. pending arrival of family members for family reunion)	20
Institutional care (e.g. imprisonment)	60
In relation to misdeed in previous PRH tenancy (e.g. rent in arrears and violation of marking scheme)	60
<b>Total</b>	<b>14 100</b>

Remark: Figures do not add up to total due to rounding. Values of one thousand or above are rounded to the nearest hundred and values below one thousand are rounded to the nearest ten.

14. Applicants are allowed to continue to wait even though their applications are frozen. This means that their priority in the queue will be retained, although they have not yet fulfilled all criteria for flat allocation or have requested the processing of their applications during the frozen period to be withheld. In reality, the applicants are likely to perceive this frozen period as part of their waiting time.

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Note 10 At the time of allocation, at least half of the family members included in the PRH application must have lived in Hong Kong for seven years and all family members must be still living in Hong Kong. Under the following circumstances, all children under the age of 18 are deemed to have fulfilled the seven-year residence rule: (a) one of the parents, regardless of the children's place of birth, has lived in Hong Kong for seven years; or (b) the children were born in Hong Kong with established permanent resident status.

## SUPPLY OF FLATS

15. According to HA's Housing Construction Programme as at September 2019, about 71 700 PRH/Green Form Subsidised Home Ownership Scheme (GSH) units<sup>Note 11</sup> will be completed from 2019/20 to 2023/24. About 27% of these units will be located in the Urban District, 30% in the Extended Urban District, and 43% in the New Territories. In terms of flat types, about 15% will be Type A units (for one/two persons), 35% as Type B units (for two/three persons), 31% as Type C units (for three/four persons) and 19% as Type D units (for four/five persons).

16. In addition to building PRH units, recovery of flats is another important source of PRH supply. In the past few years, HA has a net recovery of over 8 000 flats<sup>Note 12</sup> from tenants on average every year. With the completion and implementation of more subsidised sale flat projects, the net recovery from PRH tenants reached 8 500 units in 2018/19.

17. At the same time, the Housing Department (HD) will continue to ensure the rational use of PRH resources, so that efforts can be focused on allocating PRH resources to those with more pressing housing needs. On the one hand, HD will continue to conduct stringent vetting of PRH applicants' eligibility. On the other hand, HD will continue to step up efforts in combating tenancy abuse, and conduct publicity programme to promote the importance of safeguarding PRH resources and encourage tenants and members of the public to report tenancy abuse.

## INFORMATION

18. This paper is issued for Members' information.

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Note 11 Including the GSH projects at Chai Wan Road and Tsing Hung Road, Tsing Yi (about 3 700 units in total).

Note 12 Excluding those flats recovered from PRH transferees. As PRH flats have to be offered to transferees, there will not be net gain of flats.

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