

Legislative Council
Panel on Housing and Panel on Development

Land Supply for Housing

Purpose

This paper provides background information on the provision of public rental housing (PRH) and private residential flats.

Public Housing

2. The objective of the Government's subsidized housing policy is to meet the housing needs of low-income families who cannot afford private rental accommodation. The Housing Authority (HA) has a five-year rolling Public Housing Construction Programme which is reviewed on an annual basis. Suitable adjustments will be made in accordance with the latest demand and supply situation.

3. In the five-year period from 2010/11 to 2014/15, the forecast production of new PRH is 75 000 flats (**Annex**), averaging about 15 000 flats per year. In particular, the new PRH flat production forecast for 2011/12 and 2012/13 will be about 11 200 flats and 16 700 flats respectively, involving about 22 hectares of land. Among the new PRH flats, about 84% of them are in urban areas, about 13% in the extended urban areas, and the remaining in the New Territories. Details of the new PRH flat locations are set out below:

2011/12		
Urban	Kowloon City	800
	Kwun Tong	3 500
	Sham Shui Po	5 600
	Wong Tai Sin	1 300
Sub -Total:		11 200
2012/13		
Urban	Kowloon City	8 000
	Kwun Tong	2 700
	Sham Shui Po	1 400
Extended Urban	Kwai Tsing	800
	Sha Tin	2 800
New Territories	Tuen Mun	1 000
Sub -Total :		16 700

4. To ensure an adequate and steady supply of suitable land for PRH development, the Transport and Housing Bureau (THB) and the Housing Department (HD), will continue to liaise closely with the Development Bureau, the concerned Government departments, district councils and local communities to identify suitable sites in different parts of the territory for PRH development. The HA will consider all viable sites, regardless of their sizes, for PRH development under the principle of optimal utilization of land resources to maintain cost-effective and sustainable development. We will also provide sufficient ancillary facilities for residents in PRH in accordance with the Hong Kong Planning Standards and Guidelines and the requirements of concerned bureaux and departments and bearing in mind the views of local community as reflected by consultations with District Councils.

Private Residential Flats

5. THB monitors the development of the private residential market. It compiles and collates housing supply related statistics from relevant bureaux and departments and issues regular reports for public information.

6. As at September 2010, we estimate that around 61 000 private residential flats will be made available in the next few years in the primary market, of which 35 300 (58%) are expected to be small to medium sized flats. Of the 61 000 units, about 10 000 units are to be built on disposed sites on which construction works have not yet started; about 44 000 units are under construction and have not yet been sold under pre-sale arrangement and about 7 000 units are completed and unsold.

7. The aforementioned 10 000 units on disposed sites which have not yet started construction works involved 28 residential projects, including projects by the MTRCL and the Urban Renewal Authority. In general, the Building Covenant period for residential projects ranges from 48 months to 72 months.

8. As at September 2010, of the 44 000 units under construction and not yet sold, about 3 400 units have obtained pre-sale consent from the Lands Department or do not require pre-sale consent prior to pre-sale¹;

¹ Projects involving sites under old leases do not require prior approval from the Lands Department for pre-sale.

about 8 000 units are under application for pre-sale consent; and the remaining 32 600 units have yet to apply for pre-sale consent. It is up to individual developers to make their own business decisions whether to offer the flats for sale under the pre-sale arrangements and if so, when to apply for pre-sale from the Lands Department for projects under the Consent Scheme. Under existing requirements of the Lands Department's Consent Scheme, pre-sale consent may be granted upon application 20 months prior to the anticipated completion date of the development at the earliest.

Way Forward

9. As mentioned by the Chief Executive in the 2010 Policy Address, the Financial Secretary now chairs the "Steering Committee on Housing Land Supply" to coordinate the efforts of all departments concerned to ensure that issues relating to housing land will be dealt with as a matter of priority in order to guarantee a stable and adequate supply of land for both PRH and private residential flats, including small and medium sized private units. THB and HD will continue to work closely with Development Bureau and concerned Government departments to secure suitable sites for PRH development to maintain the target average waiting time for PRH at around 3 years.

Advice Sought

10. Members are invited to note the contents of this paper.

**Transport and Housing Bureau
December 2010**

Production of PRH Flats in the Coming Five Years (2010/11 – 2014/2015)

Year of Completion / District [#]	Sub-District	Planned Flat Number
2010/2011		
Urban	Kowloon City	1 200
	Kwun Tong	5 200
	Wong Tai Sin	1 300
Extended Urban	Kwai Tsing	1 500
	Sha Tin	2 600
	Sai Kung (Tseung Kwan O)	2 000
Sub -Total		13 800
2011/2012		
Urban	Kowloon City	800
	Kwun Tong	3 500
	Sham Shui Po	5 600
	Wong Tai Sin	1 300
Sub -Total		11 200
2012/2013		
Urban	Kowloon City	8 000
	Kwun Tong	2 700
	Sham Shui Po	1 400
Extended Urban	Kwai Tsing	800
	Sha Tin	2 800
New Territories	Tuen Mun	1 000
Sub -Total		16 700
2013/2014		
Urban	Kowloon City	5 400
	Sham Shui Po	1 500
	Wong Tai Sin	1 000
Extended Urban	Kwai Tsing	1 500
	Sha Tin	3 000
	Sai Kung (Tseung Kwan O)	2 100
Sub -Total		14 500
2014/2015		
Urban	Kwun Tong	6 100
	Sham Shui Po	2 800
Extended Urban	Sha Tin	3 500
New Territories	North	1 400
	Yuen Long	4 600
Sub -Total		18 400
Total		74 600

(Based on the Public Housing Construction Programme as at November 2010)

#Extended Urban areas include Kwai Tsing, Tsuen Wan, Sha Tin (including Ma On Shan), Sai Kung (including Tseung Kwan O) and Tung Chung.