立法會 Legislative Council

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Panel on Housing

Meeting on 1 December 2014

Updated background brief on the "Public Housing Construction Programme" prepared by the Legislative Council Secretariat

Purpose

This paper provides updated background information on the Public Housing Construction Programme ("PHCP") of the Hong Kong Housing Authority ("HA"), and gives a brief account of the views and concerns expressed by members on the subject.

Background

2. The objectives of the Government's housing policy include providing low-income families who cannot afford private rental accommodation with public rental housing ("PRH"), with a target of maintaining the average waiting time ("AWT") for general PRH applicants on the Waiting List ("WL") at around three years¹. To this end, HA has put in place PHCP, which is a rolling programme forecasting PRH production of the coming five years. PHCP will be reviewed annually and the level of PRH production will be adjusted as and when necessary. HA has advised that the average annual PRH production is not a rigid target. It will adjust the production level should additional sites become available, so as to maintain the AWT for general PRH applicants at around three years.

2013/14 - 2017/18 Public Housing Construction Programme

Public Rental Housing

3. The demand for PRH has been increasing in recent years. As at end-June 2013, there are 234 300 applications on WL queuing for PRH

¹ The AWT pledge does not apply to non-elderly one-person PRH applicants on WL.

allocation, including 118 700 general applications and 115 600 non-elderly one-person applications. According to the PHCP as at November 2013, the forecast production of PRH for the five-year period from 2013/14 to 2017/18 is about 82 000 flats, i.e. averaging at about 16 000 units per year, with details as follows –

District	Expected number of units* and year of completion				
	2013/14	2014/15	2015/16	2016/17	2017/18
Urban	9 700	3 900	9 800	10 600	8 600
	(69%)	(31%)	(48%)	(56%)	(55%)
Extended	4 400	3 000	8 100	3 600	7 000
Urban	(31%)	(24%)	(40%)	(19%)	(45%)
New	-	5 800	2 600	4 700	-
Territories		(45%)	(13%)	(25%)	
Total	14 100	12 700	20 500	18 800	15 600
	(100%)	(100%)	(100%)	(100%)	(100%)

^{*} Figures may not add up to total due to rounding.

- 4. Under the 2013/14 2017/18 PHCP, new PRH production will mainly come from Urban (52%) and Extended Urban Districts (32%), with the remaining in the New Territories (16%). Among the new production, about 19% would be one/two-person units, 25% would be two/three-person units, 39% would be one-bedroom units (for three to four persons) and 16% would be two-bedroom units (for four persons or above). A breakdown of the PRH production forecast for the period from 2013/14 to 2017/18 (as at November 2013) is in **Appendix I**.
- On 15 January 2014, the Chief Executive ("CE") delivered his 2014 Policy Address which sets out details of new and ongoing housing-related initiatives. CE announced that the Government has decided to accept the recommendations of the Long Term Housing Strategy ("LTHS") Steering Committee to adopt the total housing supply target of 470 000 units for the coming 10 years, with public housing accounting for 60% of the new production, i.e. an average of about 20 000 PRH units and about 8 000 Home Ownership Scheme ("HOS") units per annum. CE also pledged to increase the supply of PRH and adopt a production target of at least 100 000 units in total for the five years starting from 2018.

Home Ownership Scheme

6. According to the Administration, it has secured land for the development of about 17 000 HOS flats over the four years from 2016/17. The first batch of about 2 200 HOS flats to be completed in 2016/17 are located in Shatin, Tsuen Wan, Kwai Tsing and Yuen Long respectively. Construction on these sites has

already commenced. In addition, HA has identified suitable sites for HOS development in different areas of the territory. These include Kai Tak Site 1G1(B) and four of the former My Home Purchase Plan sites which are located in Choi Hung, Diamond Hill, Ma On Shan and Tai Po districts.

Measures to increase land supply for public rental housing development

- 7. The Administration has advised that it will work on the following measures to ensure an adequate and steady supply of PRH and HOS flats
 - (a) the Steering Committee on Land Supply, chaired by the Financial Secretary, will proactively co-ordinate the overall plans for development and supply of land in Hong Kong for various uses, and adjust land supply in response to changes in demand;
 - (b) it will further strengthen the internal co-ordination within the Government and liaison with respective District Councils and local communities to identify suitable sites for public housing development in different areas of the territory; and
 - (c) HA will actively explore all feasible ways to increase the land and manpower resources for public housing developments. HA will also optimize the development potential of all available sites, and strive to relax plot ratios and building height restrictions without compromising the living environment.

Deliberations by the Panel on Housing

8. The Panel on Housing ("the Panel") discussed the PHCP for 2013/14 to 2017/18 at its meeting on 2 December 2013. The major views and concerns expressed by members of the Panel are summarized below.

Public rental housing

9. Members were generally concerned that the current PRH production rate at about 16 000 units per year could not match the housing supply target of 470 000 units for the next 10 years as proposed by the LTHS Steering Committee. There would still be a shortage of about 13 000 units per year even if the supply of private housing was increased to 18 000 units per year. They requested the Administration to introduce short to medium term measures to address the shortage, such as using PRH estates decanted for redevelopment for providing temporary housing as these estates could be left idle for years.

- 10. Noting that the Administration had identified sufficient land for PRH production for the second five-year period from 2017/18 to 2021/22, members asked if it was possible to advance the production schedule. Members further enquired whether the construction time of PRH under PHCP could be shortened.
- 11. Some members commented that the problem with the supply of PRH was caused by erroneous planning in respect of PRH provision in the previous years as evident by a higher percentage of PRH to be provided in the Urban District in the coming years. They asked about the Administration's plan to increase the provision of PRH in the Extended Urban District and the New Territories in the coming years. They were concerned that the supply of two-bedroom flats was on the low side as compared to other flat types under the current five-year rolling PHCP, and there was a shortage of such flats for allocation to bigger households with four or five persons.
- 12. In addition, members were of the view that apart from implementing PHCP, the Administration should also increase public housing supply through redevelopment projects. They suggested using the sites of the Urban Renewal Authority for public housing production, and speeding up the demolition of the Long Bin Interim Housing which, upon redevelopment, would provide a large number of PRH units.

Home Ownership Scheme

13. Noting that the Government was committed to producing about 17 000 HOS units from 2016/17 to 2019/20, members were concerned that the production of about 3 150 HOS units in 2016/17 and 2017/18 on average was falling behind the expected target of about 5 000 units per year.

Council questions

14. Hon Ronny TONG, Hon LEE Wing-tat, Hon WU Chi-wai and Dr Hon KWOK Ka-ki raised questions related to the PHCP at the Council meetings on 25 May and 2 November 2011, 14 November 2012, 16 October 2013 and 22 October 2014 respectively. Details of the Council questions are hyperlinked in **Appendix II** for ease of reference.

Latest development

15. The Administration will brief members on the PHCP for the period 2014/15 to 2018/19 at the Panel meeting on 1 December 2014.

Relevant papers

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

Council Business Division 1
<u>Legislative Council Secretariat</u>
26 November 2014

PRH Production (2013/14 - 2017/18)

Appendix I

Year of Completion/ District	Sub-district	PRH Project	Planned Flat Number	Planned Flat Number By Sub-district	
2013/2014					
Urban	Kowloon City	Kai Tak Development Site 1B Phase 1	2 700		
		Kai Tak Development Site 1B Phase 2	2 900	8 200	
		Kai Tak Development Site 1B Phase 3	2 500		
	Sham Shui Po	Sai Chuen Road	1 500	1 500	
Extended Urban	Kwai Tsing	Tai Pak Tin Street	800	2 300	
		Kwai Shing Circuit	1 500		
	Sai Kung	Tseung Kwan O Area 65B	2 100	2 100	
	•		Sub-total	14 100	
2014/2015					
Urban	Sham Shui Po	So Uk Phase 1	2 900	2 900	
	Wong Tai Sin	Tung Tau Cottage Area East	1 000	1 000	
Extended Urban	Sha Tin	Shatin Area 52 Phase 1	3 000	3 000	
New Territories	North	Sheung Shui Area 36 West	1 400	1 400	
	Yuen Long	Hung Shui Kiu Area 13 Phase 1	1 500	4 400	
		Hung Shui Kiu Area 13 Phase 2	600		
		Hung Shui Kiu Area 13 Phase 3	2 300		
			Sub-total	12 700	
2015/2016					
Urban	Eastern	Conversion of Chai Wan Factory Estate to PRH	200	200	
		Lower Ngau Tau Kok Phase 2	600		
	Kwun Tong	Anderson Road Site D	3 500	9 600	
		Anderson Road Site E Phase 1	2 600		
		Anderson Road Site E Phase 2	2 500		
		Lei Yue Mun Phase 3	400		
Extended Urban	Sha Tin	Shatin Area 52 Phase 2	3 500	8 100	
		Shatin Area 52 Phase 3	2 000		
		Shatin Area 52 Phase 4	2 600		
New Territories	Tai Po	Po Heung Street	500	500	
		Hung Shui Kiu Area 13 Phase 3	500		
	Yuen Long	Au Tau Departmental Quarters	1 200	2 100	
		Ex-Yuen Long Estate	400		
			Sub-total	20 500	

Year of Completion/ District	Sub-district	PRH Project	Planned Flat Number	Planned Flat Number By Sub-district	
2016/2017					
Urban		Anderson Road Site A	1 500		
	Kwun Tong	Anderson Road Site B Phase 1	3 100		
		Anderson Road Site B Phase 2	2 600	9 300	
		Anderson Road Site C1	1 400	- - -	
		Anderson Road Site E Phase 2	800		
	Sham Shui Po	So Uk Phase 1	400) 400	
	Wong Tai Sin	San Po Kong Flatted Factory	900	900	
Extended Urban	Islands	Tung Chung Area 56	3 600	3 600	
New Territories	Tuen Mun	Tuen Mun Area 54 Site 2 Phase 1	2 600	4 700	
		Tuen Mun Area 54 Site 2 Phase 2	2 100		
	1	'	Sub-total	18 800	
2017/2018					
Urban	Eastern	Lin Shing Road	300	300	
	Kwun Tong	EHC Site Phase 7	500	500	
	Sham Shui Po	Cheung Sha Wan Wholesale Food Market Site 3	1 200	7 800	
		Lai Chi Kok Road - Tonkin Street Phase 1	2 500		
		Shek Kip Mei Phase 3	200		
		Shek Kip Mei Phase 7	200		
		So Uk Phase 2	3 700		
Extended Urban	Kwai Tsing	Ex-Kwai Chung Police Married Quarters	900	900	
	Sha Tin	Shek Mun (Shek Mun Estate Phase 2)	2 300	2 300	
	Islands	Tung Chung Area 39	3 800	3 800	
			Sub-total	15 600	
			Total	81 600	

(Based on Public Housing Construction Programme as at November 2013)

Note: Figures may not add up to the total due to rounding.

List of relevant papers

Council/ Committee	Date of meeting	Paper
Panel on Housing	2 December 2013	Administration's paper on "Public Housing Construction Programme 2013/14 to 2017/18" (LC Paper No. CB(1)411/13-14(03)) http://www.legco.gov.hk/yr13-14/english/panels/hg/papers/hg1202cb1-411-3-e.pdf Updated background brief on the "Public Housing Construction Programme" prepared by the Legislative Council Secretariat (LC Paper No. CB(1)411/13-14(04)) http://www.legco.gov.hk/yr13-14/english/panels/hg/papers/hg1202cb1-411-4-e.pdf Minutes of meeting (LC Paper No. CB(1)855/13-14) http://www.legco.gov.hk/yr13-14/english/panels/hg/minutes/hg20131202.pdf

Hyperlinks to relevant Council Questions:

Date	Council Question
25 May 2011	Council question raised by Hon Ronny TONG
	http://www.info.gov.hk/gia/general/201105/25/P201105250111.htm
2 November 2011	Council question raised by Hon LEE Wing-tat
	http://www.info.gov.hk/gia/general/201111/02/P201111020299.htm
14 November 2012	Council question raised by Hon WU Chi-wai
	http://www.info.gov.hk/gia/general/201211/14/P201211140251.htm
16 October 2013	Council question raised by Dr Hon KWOK Ka-ki
	http://www.info.gov.hk/gia/general/201310/16/P201310160337.htm
22 October 2014	Council question raised by Hon WU Chi-wai
	http://www.info.gov.hk/gia/general/201410/22/P201410220453.htm