

立法會 *Legislative Council*

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Panel on Housing

Meeting on 2 November 2015

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 is 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.

Long Term Housing Strategy

3. The Government promulgated the new Long Term Housing Strategy in December 2014 and announced that it would adopt a supply-led strategy as recommended by the Long Term Housing Strategy Steering Committee. Based on the latest projection of long term housing demand for the ten-year period

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

from 2015/16 to 2024/25, the Government adopts a total housing supply target of 480 000 units, with the public-private split of 60:40. The public housing supply target will be 290 000 units, comprising 200 000 PRH units and 90 000 subsidized sale flats. The Government has also identified land for the construction of 254 000 public housing units.

2014/15 - 2018/19 Public Housing Construction Programme

Public Rental Housing

4. The demand for PRH has been increasing in recent years. As at end-June 2015, there were about 282 200 applications on WL queuing for PRH allocation, including about 140 200 general applications and about 142 000 non-elderly one-person applications. According to PHCP as at September 2014, the forecast production of PRH for the five-year period from 2014/15 to 2018/19 was about 77 100 flats, i.e. averaging at about 15 000 units per year, with details as follows –

District	Expected number of units* and year of completion				
	2014/15	2015/16	2016/17	2017/18	2018/19
Urban	1 000 (10%)	12 700 (54%)	4 900 (40%)	11 000 (58%)	5 100 (40%)
Extended Urban	4 400 (44%)	6 700 (29%)	3 600 (29%)	7 100 (37%)	5 500 (44%)
New Territories	4 600 (46%)	3 900 (17%)	3 700 (31%)	1 000 (5%)	2 000 (16%)
Total	9 900 (100%)	23 300 (100%)	12 100 (100%)	19 000 (100%)	12 800 (100%)

* Figures may not add up to total due to rounding.

5. Under the 2014/15 - 2018/19 PHCP, new PRH production will mainly come from Urban (45%) and Extended Urban Districts (35%), with the remaining in the New Territories (20%). Among the new production, about 18% would be one/two-person units, about 23% would be two/three-person units, about 37% would be one-bedroom units (for three to four persons) and about 21% would be two-bedroom units (for four persons or above). A breakdown of the PRH production forecast for the period from 2014/15 to 2018/19 (as at September 2014) is in **Appendix I**.

Home Ownership Scheme

6. The Government has secured land for the development of about 17 000 Home Ownership Scheme ("HOS") flats over the four years from 2016/17. Under the 2014/15 - 2018/19 PHCP, some 10 600 HOS flats will be produced.

A total of 2 160 flats, being the first batch of newly built HOS projects, are scheduled for completion in 2016/17 and are located in Shatin, Tsuen Wan, Tsing Yi and Yuen Long. The flats were put up for pre-sale in end-2014.

Measures to increase land supply for public housing development

7. The Government continues to 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 planning for the development and supply of land in Hong Kong for various uses, and adjust land supply in response to changes in demand; and
- (b) HA will continue to liaise closely with other departments in order to secure sufficient sites for public housing development, streamline the required planning and land procedures, and optimize the development potential of each site.

Deliberations by the Panel on Housing

8. The Panel on Housing ("the Panel") discussed the PHCP for 2014/15 to 2018/19 at its meeting on 9 December 2014. The major views and concerns expressed by members of the Panel are summarized in the ensuing paragraphs.

9. The Panel noted that according to HA's rolling PHCP, there would be about 77 100 new PRH flats produced for the five-year period from 2014/15 to 2018/19. Some members cast doubt on the Administration's ability to meet the PRH supply target at 200 000 during the ten-year period from 2015/16 to 2024/25 in view of the rolling PHCP at an average of only about 15 000 units per year. The Administration advised that as the construction programme for the first five years of the ten-year period had commenced, the scope for further increase in production within the period was limited. Construction in the second five-year period was therefore important, and HA had already embarked on the necessary preparatory work such as identifying the land required and conducting other planning process.

10. Some members raised concern that quite a number of four-person households had not received any flat offer even having waited for over six years on WL. The Administration explained that PRH applicants opting for Urban and Extended Urban Districts as well as those with a larger family size might experience a longer waiting time. Under the current PHCP, most of the new PRH units would be located in Urban and Extended Urban Districts accounting for about 45% and about 35% of the total PRH production respectively, and

about 37% and about 21% would be one-bedroom units (for three to four persons) and two-bedroom units (for four persons or above) respectively.

Council questions

11. Hon WU Chi-wai and Dr Hon KWOK Ka-ki raised questions related to PHCP at the Council meetings on 14 November 2012, 16 October 2013 and 22 October 2014. Details of the Council questions are hyperlinked in **Appendix II**.

Latest development

12. The Administration will brief members on PHCP for the period 2015/16 to 2019/20 at the Panel meeting on 2 November 2015.

Relevant papers

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

Council Business Division 1
Legislative Council Secretariat
27 October 2015

Public Rental Housing Production (2014/15 - 2018/19)

Year of Completion/ District	Sub-district	PRH Project	Planned Flat Number	Planned Flat Number By Sub-district
2014/2015				
Urban	Wong Tai Sin	Tung Tau Cottage Area East	1 000	1 000
Extended Urban	Sha Tin	Shatin Area 52 Phase 1	3 000	4 400
		Shatin Area 52 Phase 2	1 400	
New Territories	North	Sheung Shui Area 36 West	1 400	1 400
	Yuen Long	Hung Shui Kiu Area 13 Phase 1	900	3 200
		Hung Shui Kiu Area 13 Phase 3	2 300	
			Sub-total	9 900
2015/2016				
Urban	Eastern	Conversion of Chai Wan Factory Estate	200	200
	Kwun Tong	Lower Ngau Tau Kok Estate Phase 2	600	9 600
		Anderson Road Site D	3 500	
		Anderson Road Site E Phase 1	2 600	
		Anderson Road Site E Phase 2	2 500	
		Lei Yue Mun Phase 3	400	
Sham Shui Po	So Uk Phase 1	2 900	2 900	
Extended Urban	Sha Tin	Shatin Area 52 Phase 2	2 100	6 700
		Shatin Area 52 Phase 3	2 000	
		Shatin Area 52 Phase 4	2 600	
New Territories	Tai Po	Po Heung Street, Tai Po	500	500
	Yuen Long	Hung Shui Kiu Area 13 Phase 1	700	3 400
		Hung Shui Kiu Area 13 Phase 2	600	
		Hung Shui Kiu Area 13 Phase 3	500	
		Ex-Au Tau Departmental Quarters	1 200	
	Ex-Yuen Long Estate	400		
			Sub-total	23 300
2016/2017				
Urban	Kwun Tong	Anderson Road Site A	1 500	3 600
		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	3 700
		Tuen Mun Area 54 Site 2 Phase 2	1 000	
			Sub-total	12 100

Year of Completion/ District	Sub-district	PRH Project	Planned Flat Number	Planned Flat Number By Sub-district
2017/2018				
Urban	Eastern	Lin Shing Road	300	300
	Kwun Tong	Anderson Road Site B Phase 1	3 100	5 700
		Anderson Road Site B Phase 2	2 600	
	Sham Shui Po	Cheung Sha Wan Wholesale Food Market Site 3	1 300	5 000
		So Uk Phase 2	3 700	
Extended Urban	Kwai Tsing	Ex-Kwai Chung Police Quarters	900	900
	Sha Tin	Shek Mun (Shek Mun Estate Phase 2)	2 300	2 300
	Islands	Tung Chung Area 39	3 900	3 900
New Territories	Tuen Mun	Tuen Mun Area 54 Site 2 Phase 2	1 000	1 000
			Sub-total	19 000
2018/2019				
Urban	Kwun Tong	Eastern Harbour Crossing Site Phase 7	500	800
		Sau Ming Road	300	
	Sham Shui Po	Lai Chi Kok Road - Tonkin Street Phase 1	2 500	4 300
		Lai Chi Kok Road - Tonkin Street Phase 2	1 300	
		Shek Kip Mei Phase 3	200	
		Shek Kip Mei Phase 7	200	
Extended Urban	Sha Tin	Fo Tan Phase 1	4 800	5 500
		Shek Mun (Shek Mun Estate Phase 2)	700	
New Territories	North	Choi Yuen Road	1 100	2 000
		Fanling Area 49	900	
			Sub-total	12 800
			Total	77 100

(Based on Public Housing Construction Programme as at September 2014)

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

Public Housing Construction Programme

List of relevant papers

Council/ Committee	Date of meeting	Paper
Panel on Housing	9 December 2014	<p>Administration's paper on "Public Housing Construction Programme 2014/15 to 2018/19" (LC Paper No. CB(1)289/14-15(05)) http://www.legco.gov.hk/yr14-15/english/panels/hg/papers/hg20141209cb1-289-5-e.pdf</p> <p>Updated background brief on the "Public Housing Construction Programme" prepared by the Legislative Council Secretariat (LC Paper No. CB(1)289/14-15(06)) http://www.legco.gov.hk/yr14-15/english/panels/hg/papers/hg20141209cb1-289-6-e.pdf</p> <p>Minutes of meeting (LC Paper No. CB(1)392/14-15) http://www.legco.gov.hk/yr14-15/english/panels/hg/minutes/hg20141209.pdf</p>

Hyperlinks to relevant Council Questions:

Date	Council Question
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