

# 立法會 *Legislative Council*

LC Paper No. CB(1)110/16-17(05)

Ref. : CB1/PL/HG

## **Panel on Housing**

**Meeting on 15 November 2016**

### **Background brief on challenges and difficulties in taking forward public housing development projects prepared by the Legislative Council Secretariat**

#### **Purpose**

This paper provides background information on the challenges and difficulties encountered by the Hong Kong Housing Authority ("HA") when taking forward public housing development projects, and gives a brief account of the views and concerns expressed by Members on the subject.

#### **Background**

2. In December 2014, the Administration promulgated the new Long Term Housing Strategy ("LTHS"), which is the first long term strategic document on housing since 1998. According to the projection method stated in the LTHS, the Administration updates the long term housing demand projection annually and presents a rolling ten-year housing supply target. Based on the latest housing demand projection, the Administration has adopted 460 000 units as the total housing supply target for the ten-year period from 2016-2017 to 2025-2026, with public housing accounting for 60 per cent of the production, i.e. 200 000 public rental housing ("PRH") units and 80 000 subsidized sale flats.

3. To achieve the supply target, the Administration adopts a multi-pronged approach for increasing the housing land supply in the short, medium and long term, through the implementation of a series of measures, such as conducting land use reviews and rezoning, increasing development intensity of individual land sites, exploring new development areas, etc. To closely monitor the progress of public housing projects, HA has put in

place the five-year public housing construction programme ("PHCP") which rolls forward on a yearly basis. According to the Administration,<sup>1</sup> in the course of identification of land and constructing public housing, HA frequently encounters various difficulties and challenges, including –

- (a) majority of the sites are not "spade-ready" (i.e. the sites have not been properly zoned; require resumption, clearance, reprovisioning of existing facilities, site formation or provision of additional infrastructure);
- (b) many sites require rezoning and planning applications, and it takes considerable time to complete the relevant procedures;
- (c) for cases involving government-funded works (such as public transport interchange, community hall, road improvement works, etc.), the time required to obtain funding depends on the progress of obtaining the Legislative Council's funding approval;
- (d) sites involving difficult or complex conditions require longer time for foundation works; sites involving refuge floors, basement and/or podium construction also require longer time for construction;
- (e) legal issues involving other developments in the vicinity may jeopardize HA's timely acquisition of land; and
- (f) local communities may express strong views over the development.

### **Views and concerns of Members**

4. The major views and concerns expressed by Members are summarized in the ensuing paragraphs.

5. Members all along stressed the importance of early identification of suitable sites for housing purpose. At the meeting of the Panel on Housing ("the Panel") on 1 February 2016, members noted that the Administration had identified land for the construction of about 255 000 public housing units for the ten-year period from 2016-2017 to 2025-2026. Some members cast doubt on whether the Administration could secure the

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<sup>1</sup> Administration's paper on housing-related initiatives in the 2016 Policy Address and Policy Agenda (LC Paper No. CB(1)439/15-16(03)).

land required for producing the remaining 25 000 units. Some other members held the view that the Administration should introduce measures to speed up processing rezoning and planning applications. Concern was also raised about the impact of judicial review cases on public housing production.

6. The Administration advised that production of several thousand public housing units had been put on hold due to the judicial reviews on the proposals to amend the relevant Outline Zoning Plans. Notwithstanding this, the Administration would spare no efforts in consulting local communities and addressing their concerns in order to secure their support for public housing developments.

7. In response to a written question raised at the Council meeting of 25 November 2015 about the total number of the public housing projects opposed by members of the local communities or concern groups, the Administration advised that over the past five years, HA had consulted the District Councils ("DCs") on some 80 public housing projects (including PRH and subsidized sales flats projects). About 90 percent of these projects involved rezoning or planning applications. Relevant DCs and members of the general public had diverse views on these projects and their views also varied at different stages of consultation. Requests which the Administration usually received during the consultation were mainly on provision of more community facilities, provision of public transport facilities, as well as reprovisioning of existing facilities which would be affected by the developments. There were also concerns about the adverse impact on traffic, air ventilation, visual amenity or the property value in the adjacent areas brought about by the developments, and also concerns about infill or high-rise developments.

8. At a special meeting of the Finance Committee discussing the Government's financial provisions for housing in the 2016-2017 financial year, some members pointed out that the Administration would be in a better position to secure the support of DCs for new housing development projects during consultations with DCs if housing development proposals were submitted together with proposals on enhancement of transport and community facilities. In response, the Administration pointed out that as there was a lack of extensively developed new land for housing production, the Administration would need to make use of small pieces of land in developed areas for housing production. Prior to consulting DCs about housing development projects, various traffic and environmental assessments would be conducted. The DCs concerned would be thoroughly consulted regarding the housing production projects as well as the proposed district enhancement measures.

9. In view of the increasing number of applicants on the waiting list for PRH, Panel members enquired whether the construction time of PRH under PHCP could be shortened. The Administration explained that in order to fast track the construction of public housing, works at the planning and design stage, which would normally require three years to complete in the past, were compressed to one year. As a result, the total construction time which generally took seven years in the past were reduced to about five years where possible. It was impossible to further compress the construction time.

### **Latest development**

10. The Administration will brief members on the challenges and difficulties encountered by HA when taking forward public housing development projects at the Panel meeting on 15 November 2016.

### **Relevant papers**

11. A list of the relevant papers is set out in **Appendix I**.

Council Business Division 1  
Legislative Council Secretariat  
11 November 2016

**Challenges and difficulties in taking forward  
public housing development projects**

**List of relevant papers**

<b>Council/ Committee</b>	<b>Date of meeting</b>	<b>Paper</b>
Council	25 November 2015	<a href="#">Council question (No. 16)</a> raised by Hon Fernando CHEUNG
Panel on Housing	4 January 2016	Administration's paper on the Long Term Housing Strategy Annual Progress Report 2015 (LC Paper No. <a href="#">CB(1)335/15-16(01)</a> )  Minutes of meeting (LC Paper No. <a href="#">CB(1)601/15-16</a> )
Panel on Housing	1 February 2016	Administration's paper on housing-related initiatives in the 2016 Policy Address and Policy Agenda (LC Paper No. <a href="#">CB(1)439/15-16(03)</a> )  Minutes of meeting (LC Paper No. <a href="#">CB(1)732/15-16</a> )
Finance Committee	7 April 2016	<a href="#">Report on the examination of the Estimates of Expenditure 2016-2017</a> (Chapter 14 on Housing)