

立法會 *Legislative Council*

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Panel on Housing

Meeting on 3 December 2018

Updated background brief prepared by the Legislative Council Secretariat on the Public Housing Construction Programme and challenges and difficulties in taking forward public housing development projects

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 of the Panel on Housing ("the Panel") on the subject. The paper also summarizes the deliberations of the Panel on challenges and difficulties in taking forward public housing development projects.

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 (i.e. family and elderly one-person applicants) on the Waiting List ("WL") at around three years.¹ 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.

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

Long Term Housing Strategy

3. The Government promulgated the new Long Term Housing Strategy ("LTHS") in December 2014 and announced that it would adopt a supply-led strategy as recommended by the LTHS Steering Committee. Based on the latest projection, the Government adopts a total housing supply target of 460 000 units for the ten-year period from 2018-2019 to 2027-2028. With a public-private split of 60:40, the public housing supply target is 280 000 units, comprising 200 000 PRH units and 80 000 subsidized sale flats ("SSFs").² The Administration has identified land for the construction of 237 000 public housing units.³

Public Housing Construction Programme 2017-18 to 2021-22

Public Rental Housing

4. The demand for PRH has been increasing in recent years. As at end-September 2017, there were about 280 100 applications on WL queuing for PRH allocation, including about 152 700 general applications (i.e. family applications and elderly one-person applications) and about 127 400 non-elderly one-person applications. The AWT for general applicants was 4.6 years.⁴ According to the PHCP as at September 2017, the forecast production of PRH by HA for the five-year period from 2017-2018 to 2021-2022 was about 73 300 flats with details as follows –

District	Expected number of units* and year of completion				
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Urban	9 800 (52%)	8 200 (54%)	6 800 (50%)	4 300 (36%)	1 800 (13%)
Extended Urban	4 500 (24%)	6 900 (46%)	4 800 (35%)	500 (4%)	- -
New Territories	4 700 (25%)	- -	2 100 (15%)	7 000 (59%)	12 000 (87%)
Total	18 800 (100%)	15 100 (100%)	13 700 (100%)	11 900 (100%)	13 800 (100%)

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

² The 2018 Policy Address delivered in October 2018 suggested that the public/private split of the future ten-year housing supply target under LTHS may need to be adjusted.

³ LC Paper No. [CB\(1\)14/18-19\(01\)](#)

⁴ According to the [HA's website](#), as at end-September 2018, there were about 150 200 general applications for PRH and about 117 500 non-elderly one-person applications. The AWT for general applicants was 5.5 years.

5. Under the PHCP from 2017-2018 to 2021-2022, new PRH production will mainly come from urban (42%) and extended urban areas (23%), with the remaining in the New Territories (35%). In term of flat types, about 16% will be one/two-person units, about 28% will be two/three-person units, about 32% will be units for three to four persons and about 24% will be units for four to five persons. A breakdown of the PRH production forecast for the period from 2017-2018 to 2021-2022 (as at September 2017) is in **Appendix I**.

Subsidized Sale Flats

6. According to the PHCP for the period from 2017-2018 to 2021-2022, some 23 400 SSFs will be produced by HA.⁵ Among these flats, around 73% will be located in urban (about 26%) and extended urban areas (about 47%), with the remaining units in the New Territories (about 24%) and Islands (about 3%).

Challenges and difficulties in taking forward public housing development projects

7. According to the Administration⁶, some of the challenges which will affect the project delivery schedule include the lack of spade-ready sites⁷ and longer time taken to develop non-spade-ready sites for public housing; extra time that may be required to address the issues raised by the local communities regarding the development projects during consultations; time taken to complete the town planning procedures for rezoning of sites to residential use, etc. The measures taken by the Administration to overcome the challenges include liaising closely with relevant government bureaux/departments to ensure timely availability of sites and supporting infrastructure; communicating proactively with the local communities to enlist their support for the proposed public housing projects and address their concerns as far as practicable; maximizing flat production of each public housing site through relaxation of development restrictions (e.g. plot ratio, building height) in an appropriate scale where planning condition permits; expediting flat production by adopting the pre-cast building technology and lean construction at sites, etc.

⁵ HA and the Hong Kong Housing Society will, over the five-year period from 2017-2018 to 2021-2022, produce 25 100 subsidized sale flats (LC Paper No. [CB\(1\)284/17-18\(03\)](#)).

⁶ LC Paper No. [CB\(1\)284/17-18\(04\)](#)

⁷ Spade ready sites are sites that have been properly zoned, and do not require resumption, clearance, reprovisioning of existing facilities, site formation or provision of additional infrastructure.

Deliberations by the Panel on Housing

8. The Panel discussed the PHCP for the period from 2017-2018 to 2021-2022 and challenges and difficulties in taking forward public housing development projects at its meeting on 4 December 2017. The major views and concerns expressed by members are summarized in the ensuing paragraphs.

Supply of public rental housing

9. In view of the large number of families and singletons waiting for PRH, members expressed concern on whether the land newly developed by the Government for public housing would mainly be allocated for providing SSFs, such as flats under the Home Ownership Scheme ("HOS") and the Green Form Subsidised Home Ownership Scheme ("GSH"), to encourage home ownership and whether PRH would only account for a small proportion of the new public housing supply in future.

10. The Administration advised that PRH had been a long-established safety net for the grassroots and low-income families, and it was the Government's responsibilities to continue providing PRH for low-income families who could not afford private rental accommodation. According to the LTHS announced in December 2014, apart from providing PRH to families in need, the Administration should also take forward the strategy of providing more SSFs and expanding the forms of subsidized home ownership to help low to middle-income households meet their home ownership aspirations. The Administration presented a rolling ten-year housing supply target annually under LTHS to capture social, economic and market changes over time, and make timely adjustments where necessary, and the presentation of the public housing supply target within the ten-year housing supply target announced since 2014 had comprised PRH and SSFs. In planning the production of PRH and SSFs, the Administration/HA would strike a balance among the housing needs of different categories of households.

Waiting time for public rental housing

11. Members were concerned whether the Administration/HA would continue to fall behind its target of providing the first flat offer to general PRH applicants at about three years on average ("the three-year pledge"), and enquired about the Administration's estimated waiting time for PRH in the next few years. Some members opined that to honour the three-year pledge, the Administration/HA needed to maximize the production of PRH units as quickly as possible.

12. The Administration advised that to reduce the waiting time for PRH, the Government and HA would continue to spare no efforts in increasing PRH supply through both producing new PRH units and ensuring rational use of existing PRH resources. The Administration would continue to support HA in meeting the three-year pledge. As the number of new PRH applications varied every year and the pace of PRH production was not totally within HA's control, it was not practicable to provide an accurate estimate of AWT.

Supply of subsidized sale flats

13. Some members opined that GSH would provide an alternative avenue for Green Formers to achieve home ownership, but the Administration/HA should study carefully the appropriate number of GSH flats to be provided, taking into account the number of target applicants who could afford such flats. Some members expressed concern about the future supply of HOS flats after the regularization of GSH, and enquired whether GSH flats were counted towards the supply of SSFs under LTHS.

14. The Administration advised that the 2017 Policy Address announced in October 2017 had set out a policy direction of helping better-off PRH tenants move up the housing ladder. The Administration considered that HA should provide more GSH flats if they were well-received by target applicants. Despite its being a form of SSFs, GSH was by nature different from HOS or other types of SSFs in the sense that the target group of GSH was restricted to Green Formers only. Since GSH was converted from PRH developments under planning and its target group was the same as that of PRH, it was appropriate to adopt the presentation of "PRH/GSH supply target". The actual presentation and details of the various supply targets would be set out in the LTHS Annual Progress Report to be announced in end-2018.⁸

Local communities' support for public housing development projects

15. Some members opined that the Administration's failure to address the local communities' concerns on provision of supporting facilities to tie in with public housing development projects had rendered it difficult to obtain local support for the projects. The Administration should roll out comprehensive plans covering not only the provision of housing units but also development of/improvements to the community, transport and other ancillary facilities in the area concerned so that the local community would consider that taking forward the plans would bring about

⁸ LC Paper No. [CB\(1\)1011/17-18\(01\)](#)

enhancements to the community and hence support the project.

16. The Administration advised that after a site had been designated to HA for developing public housing, relevant government departments, such as the Planning Department, Social Welfare department and Transport Department, etc., would consider what facilities HA should include in the housing development. Through consultations and other forms of exchanges, the Administration would communicate proactively with District Councils and local communities to enlist their support for the proposed public housing projects, and address their concerns as far as practicable.

Latest development

17. The Administration will brief members on the PHCP for the period from 2018-2019 to 2022-2023 and challenges and difficulties in taking forward public housing development projects at the Panel meeting on 3 December 2018.

Relevant papers

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

Council Business Division 1
Legislative Council Secretariat
29 November 2018

Hong Kong Housing Authority's Public Rental Housing Production (2017-2018 – 2021-2022)
(Forecast as at September 2017)

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 A and B	5 700	7 100
		Anderson Road Site C1	1 400	
	Sham Shui Po	So Uk Phase 1	400	2 400
		So Uk Phase 2	2 000	
Extended Urban	Kwai Tsing	Ex-Kwai Chung Police Quarters	900	900
	Island	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	
			Sub-total	18 800
2018-2019				
Urban	Kwun Tong	Eastern Harbour Crossing Site Phase 7	500	800
		Sau Ming Road	300	
	Sham Shui Po	Cheung Sha Wan Wholesale Food Market Site 3	1 300	7 400
		Lai Chi Kok Road – Tonkin Street	3 900	
		Shek Kip Mei Phase 3	200	
		Shek Kip Mei Phase 7	200	
		So Uk Phase 2	1 700	
Extended Urban	Sha Tin	Shek Mun (Shek Mun Estate Phase 2)	3 000	3 000
	Islands	Tung Chung Area 39	3 900	3 900
			Sub-total	15 100

Year of Completion / District	Sub-district	PRH Project	Planned Flat Number	Planned Flat Number By Sub-district
2019-2020				
Urban	Sham Shui Po	Shek Kip Mei Phase 6	1 100	5 000
		Northwest Kowloon Reclamation (NWKR) Site 6 Phase 1	900	
		Pak Tin Phase 7	1 000	
		Pak Tin Phase 8	1 000	
		Pak Tin Phase 11	1 100	
	Wong Tai Sin	Tung Tau Estate Phase 8	1 000	1 800
		Fung Shing Street, Wong Tai Sin	800	
	Extended Urban	Sha Tin	Fo Tan	4 800
New Territories	North	Choi Yuen Road	1 100	2 100
		Fanling Area 49	900	
			Sub-total	13 700
2020-2021				
Urban	Eastern	Wing Tai Road, Chai Wan	800	800
	Kwun Tong	Choi Wing Road	1 100	1 100
	Sham Shui Po	NWKR Site 6 Phase 2	1 400	1 400
	Wong Tai Sin	Diamond Hill Phase 1	1 000	1 000
Extended Urban	Kwai Tsing	Near Lai King Hill Road	500	500
New Territories	Tai Po	Chung Nga Road East, Tai Po	700	700
	North	Queen's Hill Phase 1	3 800	6 300
		Queen's Hill Phase 2	1 200	
		Queen's Hill Phase 5	1 300	
			Sub-total	11 900
2021/2022				
Urban	Eastern	Chai Wan Road	800	800
	Sham Shui Po	NWKR Site 6 Phase 3	1 000	1 000
New Territories	Tuen Mun	Tuen Mun Area 54 Sites 3 & 4 (East)	5 200	9 400
		Tuen Mun Area 54 Sites 1 & 1A	4 200	
	North	Queen's Hill Phase 1	2 600	2 600
			Sub-total	13 800
			Total	73 300

Note: Flat numbers are rounded to the nearest hundred and may not add up to the total due to rounding.

**Public Housing Construction Programme and
challenges and difficulties in taking forward public housing development**

List of relevant papers

Committee	Date of meeting	Paper
Panel on Housing	4 December 2017	<p>Administration's paper on "Public Housing Construction Programme 2017-18 to 2021-22" (LC Paper No. CB(1)284/17-18(03))</p> <p>Administration's paper on "Challenges and Difficulties in Taking Forward Public Housing Development Projects" (LC Paper No. CB(1)284/17-18(04))</p> <p>Minutes of meeting (LC Paper No. CB(1)999/17-18)</p>
Panel on Housing	29 October 2018	Administration's paper on "housing-related initiatives in the Chief Executive's 2018 Policy Address and Policy Agenda" (LC Paper No. CB(1)14/18-19(01))